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ABSTRACT

The Senate Select Committee on Nutrition and Human Needs held hearings on the crisis in the National School Lunch Program (September 7, 1971). This transcript on the hearings includes statements by members of the Committee and the testimony of four witnesses who are involved in the administration of various school food programs. In the appendixes, correspondence, newspaper articles, and material submitted by witnesses are presented. (JW)

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NUTRITION AND HUMAN NEEDS—1971

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
NUTRITION AND HUMAN NEEDS
OF THE
UNITED STATES SENATE
NINETY-SECOND CONGRESS
FIRST SESSION
ON
NUTRITION AND HUMAN NEEDS

PART 7—CRISIS IN THE NATIONAL
SCHOOL LUNCH PROGRAM

WASHINGTON, D.C., SEPT. 7, 1971

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CRISIS IN THE NATIONAL SCHOOL LUNCH PROGRAM

TUESDAY, SEPTEMBER 7, 1971

U.S. SENATE
SELECT COMMITTEE ON
NUTRITION AND HUMAN NEEDS
Washington, D.C.

The Select Committee met at 10 a.m., pursuant to call, in room 1114, of the New Senate Office Building, the Honorable George McGovern, chairman of the committee, presiding.

Present: Senators McGovern, Hart, and Cook.

Staff members present: Kenneth Schlossberg, staff director; Gerald S. J. Cassidy, general counsel; and Judah Sommer, minority counsel.

OPENING STATEMENT OF SENATOR McGOVERN, CHAIRMAN

Senator McGOVERN. The committee will please come to order.

Today's hearing deals with the proposed regulations of August 13 which reduce the reimbursement rate to 35 cents for free and reduced-price school lunches.

Over the last 2 weeks the Select Committee has been besieged by literally hundreds of State and local school lunch directors and by community representatives of all kinds, with urgent requests that we hold a hearing on the proposed regulations at the earliest possible date.

I cannot recall any time since this committee has been in operation when there has been such an outcry against a proposed regulation as we have heard over the past 2 weeks. Thirty-seven State school lunch directors, meeting in Minneapolis on August 5 through 7, unanimously condemned the new regulations and have called upon this committee to hold these hearings today.

BASIC POINT OF DISAGREEMENT

There is one basic point of disagreement that we are going to deal with in today's hearings. The question is very sharply drawn, and it is just that single issue that we will be looking at: The August 13th regulations which the Department of Agriculture claims are designed to assist the States to do a better job in carrying out the congressional intent of Public Law 91-248, that every eligible child "shall be served meals free or at a reduced cost;" and, on the other hand, the point of view of the State school lunch directors' unanimous position that this new regulation will bring the School Lunch Program—in their words—"to a screeching halt."

(1747)

POINTS OF VIEW DIRECTLY OPPOSITE

Now, obviously, those two points of view are in direct opposition. I hope today that we can come to understand what lies behind the Department of Agriculture's sudden and drastic policy change which has created this chasm of disagreement. I personally think we may well find that it is budget considerations—that is, the Office of Management and Budget is behind this change.

OFFICE OF MANAGEMENT AND BUDGET DECLINES TO ATTEND

I regret that we do not have the opportunity to explore the role of the Office of Management and Budget openly, but, unfortunately, Mr. Shultz has declined the committee's invitation to attend today's hearings.

Our first witness is Mr. Lawrence Bartlett, who is the director of the School Lunch program of the State of Tennessee, and chairman of the State Directors' Section of the American School Food Service Association. He is accompanied by Byron Hansford, executive secretary of the Council of Chief State School Officers.

Mr. Bartlett?

STATEMENT OF LAWRENCE BARTLETT, CHAIRMAN, STATE DIRECTORS' SECTION, THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, NASHVILLE, TENN.

Mr. BARTLETT. Mr. Chairman, members of the Select Committee on Nutrition and Human Needs, my name is Lawrence Bartlett. I am director of the area of school food services with the Tennessee State Department of Education. We administer and supervise the school food service programs in some 1,645 public schools of the State that participate in the National School Lunch Program. A part of the testimony presented today will be representative of the programs in my State. Additionally, I hold the position of chairman of the State Directors' Section of the American School Food Service Association representing the 50 State directors and also representing our association which has a membership of more than 50,000 persons who are engaged in nonprofit school food service programs.

This testimony is presented as a factual documentation that the rule change as proposed by the USDA for the operation of the National School Lunch Programs will so obstruct program operations that the mandates of Congress to provide food services to needy children cannot be met.

My position as chairman of the State Directors' Section of the American School Food Service Association, as State director for School Food Service Programs for the State of Tennessee, and as executive board member adviser to the Legislative Committee of the American School Food Service Association, has placed me in the unique position of being involved in a very careful and detailed study and analysis of the proposed regulations as presented by the USDA Food and Nutrition Service. As a member of a special committee convened by the American School Food Service Association, we made an indepth study of the

proposals. It has also been my privilege to participate in a discussion of the proposed regulations with USDA officials and other State directors in Minneapolis, Minn., prior to the actual issuance of the proposal as well as to be involved in a regional conference of USDA and State directors in the southeast region devoted to a review of the current and proposed regulations.

I say all of this to emphasize the fact that a very detailed study of the proposals have been made.

INCLUDES STATE DIRECTORS' POSITION PAPER

In addition to this prepared statement, Mr. Chairman, I want to include a "position paper" which was developed and unanimously adopted by 37 State directors of school food services at our postconvention workshop in Minneapolis, Minn., on August 7, 1971.

Senator McGOVERN. Without objection, the statement will be included as a part of the record.*

Mr. BARTLETT. This position paper was developed after we were given a briefing by a number of USDA officials as to what the new proposed regulations would contain. I must give credit to the USDA officials there for "laying on the line" what the regulations would contain, and I must also give credit to the hearing astuteness of the State directors. After seeing the proposed regulations in print and after making our analysis, we find that no changes need to be made in our position paper regarding the proposed regulations.

Under Section 210.11(b-1) of the proposed regulations it will be impossible for any State to exceed its initial apportionment of Section 4 funds. The proposed regulations say, in part, that "In each fiscal year, the State agency, shall initially assign rates of reimbursement at levels which will permit reimbursement from the general cash-for-food assistance funds available to the State agency—for the total number of type A lunches it is estimated will be served in participating school in the State in such fiscal year." This part of the regulation would then in effect render null and void Section 210.4 new paragraph (f) which provides for "the distribution to State agencies other than Puerto Rico, the Virgin Islands, Guam, and American Samoa, in the following amounts: (1) 5 cents for each type A lunch served during the 1972 fiscal year which is in excess of a base number of type A lunches served in 1972. This means that an estimated number of 14 States whose per capita income is above the average for the Nation in effect could not—and I emphasize "could not"—receive the guarantee of 5 cents per meal.

NEW PARAGRAPH CIRCUMVENTS INTENT OF CONGRESS

It is also my feeling that Section 210.4 proposed new paragraph (f) to the regulations circumvents the intent of Congress as specified in the National School Lunch Act which provides a formula for the distribution of general cash-for-food assistance funds and, further, it will be inconsistent with Section 210.4 of the present regulations.

*See Appendix 2, p. 1855.

A careful reading of the proposed Section 210.11(b-1) of the proposed regulations tells me and all other State directors that reimbursement rates must be assigned within the funds apportioned so that these funds will extend through the entire year. Even after making mandatory revisions following the month of operation of January, the rates must be adjusted so as to stay within the total apportionment.

Mr. Chairman, up to this point we have been concerning ourselves with the Section 4 cash-for-food assistance funds, and how these funds must be utilized for program purposes. The remaining part of my testimony will deal primarily with the use of the appropriated Section 11 and Section 32 funds and how the proposed regulations place such restrictions on these funds to the point that many school systems will find it impossible to carry out the intent of the Congress by putting an end to hunger among America's school children as provided by Public Law 91-248. Section 9 of this act states that "any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at reduced cost," and, furthermore, Section 11(a) provides authority for "appropriation as may be necessary"—and I emphasize this—"appropriation as may be necessary"—to assure access to the lunch program under this act of children of low-income families, and Section 11(e) provides that the amounts of funds paid to a school shall be based on the need of the school for assistance in meeting the requirements concerning the service of lunches to children.

OBJECT TO USE OF BASE

Section 210.4 new paragraph (f) of the proposed regulations establishes a method of apportionment of Section 32 funds as special cash assistance funds to the States. We object to the use of a base as a requirement to be met before Section 32 funds may be requested. We also object to the arbitrary establishment of an average of 30 cents per lunch to be made available as special cash assistance. The 30 cents average rate from special cash assistance is not realistic. Reported cost of producing type A lunches in my State is 43.5 cents. An average rate from Section 4 of 6 cents and an average rate from Section 11 of 27 cents plus 0.06 cent from State funds still leaves the school with a deficit of 10 cents for each and every free lunch it serves to children. We have applied the language of the proposed regulations as contained above to the program operations in Tennessee, and we see an average of only 27 cents' reimbursement from Section 11 rather than 30 cents' average as indicated by USDA as being available.

NO SECTION 32 FUNDS APPORTIONED

It is evident to me that the U.S. Department of Agriculture has no intention of releasing the Section 32 funds, as no funds are currently apportioned.

The Congress, in its wisdom, in passing Public Law 91-248, determined that the States should contribute as a minimum during the first biennium, an amount equal to 4 percent of the required matching amount of Section 4 funds. If the present proposed rules should be published, the Secretary is arbitrarily requiring the States to pick up

an additional amount of funding in order that eligible needy children will have access to a lunch program. By taking average cost of 43.5 cents to produce a free lunch, my State's contribution to that lunch under the new proposal will be an additional 10.2 cents. Instead of the State's share being 0.013 percent it will become 0.23 percent. Or, putting this in a different perspective, if additional State funds are not used—and this will be very unlikely for the next 2 years—the child who pays full price for his lunch must pay an average of 38 cents for his lunch plus whatever is necessary for the number of free lunches served. If a school serves 50 percent of its lunches free, the paying child would need to be charged 48 cents. For 25 percent of the lunches served free, the paying child and the school could get by on 42 cents.

If we should go to a situation of 75 percent free, then the paying child would have to contribute 69 cents for his lunch in order to pay for the cost of producing his lunch and three others. It is our position that the Congress intended to expand the lunch program to all needy children by guaranteeing to provide adequate funds with prudent administration to pick up the cost of producing the meal for the needy child. The present proposal absolutely prevents the States from making this type of commitment to school boards. In one county in my State which is, perhaps, an average or slightly above average in income and taxpaying ability, it is estimated that if the present rules apply for the 1971-72 school year that the county stands to lose approximately \$22,000. This loss would be made up of Section 4 funds as well as Section 11-32 funds. Last year, in order to pay up to the cost of producing the lunch for the needy child, the State was required, under the 12-cent rule governing the expenditure of Section 11-32 funds above 30 cents to pay many schools at the rate of 12 cents from Section 4 funds in order to pay more than 30 cents from Section 11-32 funds for the free or reduced-price lunch.

SURVEY TO DETERMINE TYPE A LUNCH COST

The ASFSA is conducting a survey of all State directors to determine the cost involved in producing a type A lunch during the 1970-71 school year; the number of free or reduced-price lunches served during the past school year; the anticipated number to be served during the 1971-72 school year; the loss per meal that would have occurred if the schools had received only 35 cents in Federal reimbursement during the 1970-71 school year and the loss in funds that the schools would receive if reimbursement for free and reduced-price lunches during the 1971-72 school year was 35 cents. We have received a few returns from this questionnaire and find, for example, that the cost of producing a meal in New Mexico is 43 cents. The anticipated loss at the schools in this State, if present regulations prevail, would be \$1,200,000.

Taking the case of Oklahoma, their within-school cost is estimated at 41.79 per meal and the anticipated loss for the 1971-72 school year will be in excess of \$1 million.

I would like to cite to the committee here a few of the figures that have been provided for us concerning the anticipated loss if the proposed rule changes should become effective.

The Isaac District No. 5 school in Phoenix, Ariz., would sustain a loss of \$8,755. The city of Phoenix, \$17,700. The State of Arkansas, \$987,600. The State of California, \$9 million, of which Oakland would sustain a loss of \$724,000; Sacramento, \$116,927. The State of Colorado would lose \$550,000. Broward County, Fla., would lose \$222,300; Dade County, \$67,700. Columbus, Ga., \$75,286. The State of Hawaii, \$457,600. Indianapolis, Ind., \$307,647. The State of Kansas, \$659,586. Hazard, Ky., \$12,179. The State of Maine, \$1,326,000. The State of Massachusetts, \$3,240,000. Detroit, \$1.4 million. Minneapolis, Minn., \$750,000. The State of Missouri, \$4 million—the city of St. Louis, \$750,000 of this \$4 million. Great Falls, Mont., \$60,000. Nebraska, \$496,000. Las Vegas, \$64,485. This loss at Las Vegas may not be much compared to the millions lost at the gambling tables, but it does mean an awful lot of lunches for needy children.

The State of New Hampshire, \$215,500. Ohio State, \$5,565,000. Oklahoma City, \$317,000, South Dakota, \$328,750. The city of Memphis, Tenn., would sustain a loss of \$975,000. Utah, \$468,495. And West Virginia, \$2,661,300.

Mr. Chairman, we request the privilege of filing with your committee at a later date the results of our survey,* to be furnished by the various State directors of school food service programs, which will show the anticipated loss of Section 11-32 funds for free and reduced-price lunches if the proposed regulations should prevail.

WHAT IS TOTAL LOSS TO COUNTRY?

Senator McGOVERN. I was just going to ask you: Do you have any estimate as to what the total loss is to the country as a whole, as a consequence of these regulations? Can you give us any estimate on that?

Mr. BARTLETT. Mr. Chairman, we have not compiled all of the figures, and, I am sorry, I could not give you that estimate at this moment.

Senator McGOVERN. But you say you will supply an estimate?

Mr. BARTLETT. Yes; after our data has been tabulated. And I think most of the results are in, but our committee has not as yet been able to tabulate all of the data. But we would like to file this with you as soon as it is completed.

Senator McGOVERN. I think that would be helpful to us. The committee staff has made some rough estimates as to what this means in terms of overall budgetary loss to the various States—that is, the combined loss—but if you could also give us your estimate of that, at the earliest possible date, I think it would be helpful.

It is important to stress that these are still proposed regulations. As Secretary Lyng has written to me on September 1, that at least until after this hearing is over and there has been an evaluation as to what has been done here today, these regulations will not become final. So I think the sooner we can get estimates from the school lunch directors as to what the total loss is for the Nation as a whole, the sharper we can draw the picture which needs to be drawn.

Mr. BARTLETT. Mr. Chairman, rather than trying to give you a ballpark figure, I would rather rely on the data.

*See Appendix 2, p. 1856.

Senator McGOVERN. I appreciate that, but I wanted to underscore the importance of that.

Mr. BARTLETT. Thank you, sir.

RECOMMENDATIONS OF STATE DIRECTORS

Mr. Chairman, and members of the Select Committee, this concludes the testimony to be presented by me as chairman of the State directors' section of the ASFSA. We feel, however, that we would be remiss if we did not make recommendations to you and to the USDA concerning the proposed rule changes:

1. That the proposed rule change be set aside.
2. In conjunction with setting aside the present proposed changes that the "12-cent rule" be dropped from existing regulations as permitted by memorandum from USDA in March 1971; and
3. That States be permitted to pay up to 40 cents out of Section 11-32 funds as long as Section 4 funds are being expended in a school at or equal to the State's assistance need rate. Rates above these would be permitted if there was justification.

In a final addition, may I present this point for your consideration:

That for 25 years the backbone of the School Lunch Program has been the payments made by the paying child and the Section 4 reimbursement. The ratio of the Section 4 rate to the price charged to paying children has continuously widened. This results in schools being forced to increase prices to paying children. The guarantee as suggested by USDA of each State receiving an average of 5 cents per meal is not enough. There should be a firm guarantee of not less than 6 cents for all Section 4 meals and an increase of at least 1 cent per meal guarantee above the State's assistance need rate for all meals. If the paying child is priced out of this program, our operating cost just for the needy child will be greatly increased. It is inconceivable that we can approve a 3-cent reimbursement for one-half pint of milk in a nonprogram school—that is not required to meet any kind of nutritional standards nor to provide lunches for needy children—yet can offer only 5 cents for a Section 4 lunch to a school that has a complete meal, including milk.

USDA PROPOSALS MEAN HUNGRY CHILDREN IN SCHOOL

All that I have said really can be summed up in one very simple statement. The proposals will curtail the program and prevent millions of hungry children from being provided a lunch at school.

Mr. Chairman, on behalf of our association, its 50,000 members, the 50 State directors of which I am chairman, and for millions of children who are beneficiaries of the School Lunch Program, I thank you for letting me appear before your committee.

Senator McGOVERN. Thank you for your testimony, Mr. Bartlett.

Mr. Bartlett, as you know, on May 14, 1970, the President signed into law an expanded school lunch program authorized by the Congress. Is it not your understanding of that law—very clearly man-

dated by the Congress, signed by the President—that every child should receive an adequate school lunch? If he did not have the funds to pay for it, he should get a free or reduced-price lunch.

Is there any doubt in your mind, as a student of, and longtime administrator of these school lunch programs, that that was the intent of Congress?

MR. BARTLETT. Mr. Chairman, I read that exactly as you have stated it. It is my concept. And we have had a firm belief and commitment to our school boards that this would happen; that if they provided the lunch, that the Congress would assure that they received sufficient funds to help take care of the cost of that lunch.

Senator McGOVERN. And you are telling this committee today not only on behalf of the State of Tennessee, but on the basis of the unanimous verdict of all of the school lunch directors, that if the new guidelines stand, you cannot carry out the mandate of the Congress?

NEW GUIDELINES WILL STIFLE MANDATE

MR. BARTLETT. That is correct, sir. It is not possible to do it under the present proposed regulations.

Senator McGOVERN. I do not know how the issue could be stated any more bluntly. You are saying in effect that these regulations defy really the intent of the Congress and the actual law that has been signed by the President more than a year ago?

MR. BARTLETT. That is right; that is exactly what we said, sir.

And I think I can say that for the other States, all the State directors. I know I can say that very emphatically for the 36 others who were at the Minneapolis convention, and post-convention director's workshop.

Senator McGOVERN. How much did you increase the program in your State last year under the new program as mandated by the Congress?

MR. BARTLETT. Our previous percentage of free lunches had been running around 14 to 16 percent; and at the end of the year, Mr. McGovern, we got to 30 percent of the lunches, which were served free or at the reduced price, with approximately 80 percent of the total children in schools that had programs participating on a daily basis.

Senator McGOVERN. Will these new regulations allow you to continue that rate of expansion, or any expansion at all?

MR. BARTLETT. We could not expand. In fact, we can't even stand still, because the program will regress without additional funding to take care of the additional costs of the free lunch.

Senator McGOVERN. I must say, Mr. Bartlett, that I could hardly believe it when I was in the field talking with a number of school lunch directors during this recess. After all the talk and all the effort of this committee and the Congress of the United States and statements by the President that we were going to reach every child—every poor child in this country—with an adequate school lunch, that we now have these guidelines, coming out almost on the eve of the opening of classes this year, announcing that we are really going to stand still—as far as our efforts to end hunger are concerned in the schools.

Mr. BARTLETT. Well, we were just as amazed as you were, sir, at this date.

Senator McGOVERN. Let me ask you this, Mr. Bartlett: Is it your interpretation of these present proposed regulations—and I emphasize again they are only proposed regulations—that they will prevent you from spending the \$100 million in Section 32 funds which the Congress authorized?

NO INTENT TO UTILIZE SECTION 32 FUNDS

Mr. BARTLETT. Very definitely; in fact, I pointed out in the testimony here, sir, that it appears that there is no intention on the part of the U.S. Department of Agriculture to permit the expenditure of the Section 32 funds, because none have been apportioned. And we must stay within the regulations which say you apportion or assign your rates based upon the funds that are currently available. And these must last for the entire year.

My fiscal agent, my fiscal officer, will not permit us to budget the funds that we do not have.

Senator McGOVERN. Well, then, the same thing would apply with reference to any planning for a supplemental appropriation by the Congress. That is, you cannot really go ahead with the School Lunch program for this academic year on the assumption that there will be supplemental appropriations?

Mr. BARTLETT. No, sir.

Senator McGOVERN. I remember very clearly during the congressional debate last year the Senators who questioned the size of the expansion—that is, the cost of it—said, "Well, if we need additional money, we can always get it with a supplemental authorization and appropriation."

But I take it you are telling us that these new regulations make it impossible for you to plan on that kind of a supplemental appropriation?

Mr. BARTLETT. Absolutely; there is no provision, as I see it, in the proposed regulations whereby funds can be transferred from Section 32 for Section 11 purposes.

Senator McGOVERN. Well, we have programs here from all over the country indicating that numerous schools may have to drop out of the program, or cut back the program.

My own State has indicated to me in a number of school districts that they may not be able to participate in the program at all if these regulations stand.

INCREDIBLE—DEFIANCE OF INTENT OF CONGRESS

I just have to say again that I find it incredible, at a time when I thought we were expanding the School Lunch Program, that we are now being deluged with statements from school lunch directors that they are either going to have to drop out of the program or retrench or cut back. It seems to me to be a total defiance of what this committee and what the Congress of the United States intended last year.

Mr. BARTLETT. That is exactly true. And this briefcase has just a few copies of letters I received expressing these same feelings.

Senator McGovern. I would like to ask that these telegrams and communiques that have come to the committee be made a part of the record,* together with a statement from Senator Montoya of New Mexico, Senator Moss of Utah, and Congressman Abourezk of South Dakota.

(The statements follow:)

STATEMENT OF SENATOR JOSEPH M. MONTOKA

Mr. Chairman, I commend you for convening this hearing, and I very much appreciate this chance to testify before your Select Nutrition Committee on a matter of extreme urgency to the children of the Nation. The school lunch program for poor children has been unjustifiably eviscerated by the Administration and the Department of Agriculture.

Further, they have done this by executive fiat while Congress was out of session and away from the seat of government in Washington. The Department of Agriculture, which has participated in so many similar actions harming nutrition programs for the poor, has slashed school lunch funds from 60 to 35 cents per child.

The State Directors of National School Lunch Program are committed to carrying out the mandate given them by the President. In December of 1969, Mr. Nixon pledged to put an end to hunger among American school children.

I believed then in his good faith, secure in the knowledge that we had the wherewithal and commitment with which to do such a job. Surplus foods, funds and Congressional intent were all there, merely awaiting implementation. Now this hope has been cut down by administrative sleight of hand. These children have been betrayed and the nation should know it.

Mrs. Gretchen Plagge, Director of the School Food Service Division of my home state of New Mexico, has joined other State Directors of the National Lunch Program in vehemently protesting this action by the Administration.

She joins in warning that there is considerable anticipation of shutdowns of such school lunch programs early in the school year because of inability of local school districts to handle indebtedness which will be unavoidable as a result of inadequate Federal funding levels.

My home state of New Mexico has relied heavily on this program's fulfillment. Thousands of our school children will have to do without the only decent meal of the entire school day because of this inexcusable action.

Mr. Chairman, the hungry child cannot learn, as has been proven again and again. To deprive this program of its full funding is to guarantee multiplication of all the ancillary problems attendant upon hunger in our schools; absenteeism, dropouts, irregular behavior and lethargy among children. We will have to watch helplessly while a bad situation worsens.

I joined in sponsoring S. 2921 in the 89th Congress, now known as P.L. 89-642. Signed October 11, 1966, it expanded the National School Lunch Act to provide a special milk program for children.

I also joined in sponsorship of S. 2871 in the 90th Congress, now known as P.L. 90-302. Signed into law May 8, 1968, it amended the National School Lunch Act to strengthen and expand food services programs for children. I voted for the McGovern Amendment to the Agriculture Appropriation bill for FY 1972, which increased by \$16.9 million funds for school lunch programs. It was adopted, as I recall, by a vote of 56-28, bringing the total for the program to \$33 million. Again, it seems to me as if the intent of the Senate was utterly clear, leaving little if any room for doubt, vacillation or cutbacks.

The school lunch program is supposed to be reaching 6.4 million of a potential 6.5 million needy children. It is almost certain that a far greater number could make excellent use of this program.

Mr. Chairman, we are spending vast sums for various projects and undertakings as useless as they are expensive. This Administration has just edged through approval of a \$250 million government guarantee for Lockheed's loans. We are spending staggering quantities of cash for weapons systems, foreign aid and foreign wars. Yet we present the ludicrous spectacle to the world of actually

*See Appendix 1, p. 1795.

cutting back on minimal funding programs for feeding hungry youngsters. I plead for corrective action to reverse the decision of the Department of Agriculture.

Mr. Chairman, if we are to give any kind of signal to the dispossessed that there is hope, the least we can do is to assure their children of one decent meal daily so they can take advantage of an educational opportunity. If we fail to do this, then we have no right to ask why violent, anti-social actions occur and why there is despair and alienation among so many of our people.

Thank you.

STATEMENT OF SENATOR FRANK E. MOSS

Mr. Chairman: This Committee is to be commended for its dedicated and concerned leadership in holding hearings with regard to a reduction in reimbursements for free and reduced price school lunches. I share the deep concern of this Committee: the new regulations set spending ceilings that are woefully inadequate.

The Congress of the United States has pronounced its intent to put an end to hunger in American schools as is noted in Section 9 of the National School Lunch Act as amended by Public Law 91-248, which states, "Any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost," as well as in Section 11(a) which provides authorization for "appropriation as may be necessary" to assure access to the school lunch program.

Despite the fact that the states have been instructed and committed to a school lunch program in every school and available to every student, the U.S. Department of Agriculture is proposing regulations which make this objective impossible to achieve. The USDA calls such changes "improved money management." If such changes are allowed the needed expansion for the 1971-72 school year will come to a screeching halt, needy children will remain hungry, and the USDA will violate the intent of Congress under the guise of "Improved Management of Program Funds."

Food for hungry children is an investment, not an exchange. It is an investment in America which we can ill afford to ignore. I am opposed to any reductions in programs designed to insure that our students will become educationally competent, nutritionally strong, and productive citizens.

Moreover, I am informed by Mr. Cluff O. Snow, Administrator, Utah Division of School Food Services, that the proposed amendments would cost the school lunch program in Utah approximately \$468,000 for this coming year. Such a cutback will seriously hamper the program. Had the proposed regulation been in effect last year, the State of Utah would have lost a total of some \$400,000 in Section 4 and 32 funds.

I am opposed also to the proposed regulation revisions that will take place after schools have started. This creates a very awkward situation for school districts because the restrictions of holding back one-half of the non-food suspended funds until mid-year will restrict implementation and expansion the first part of the year in many states. This creates a very confusing and irritating situation, especially to Utah district and school personnel.

I do not agree, furthermore, with the establishment of a base system to control funds. It will be too slow, cumbersome, and will increase the difficulty of administration. This method of controlling funds merely requires that needy lunches be frozen in terms of an appropriation instead of legal provisions to increase participation.

The rate guarantee from Section 11 and 32 funds should be 40 cents for each free and reduced-price lunch, with the possibility of going higher with justification. Thirty cents is not a realistic figure for free and reduced-price lunches.

These funds also should be allocated to states on the basis of fiscal year 1971 and the use of a "base" to control the use of special assistance funds should be eliminated. The tentative original allocation would be a guideline and supplemental funds should be forthcoming as needed and justified.

All states should share in Section 32 funds on an equitable basis considering the need of the state as measured by per capita income and the need as indicated by increased lunches.

Finally, I can see no basis for restricting the availability of equipment funds. Holding back funds will penalize districts and schools in their efforts to improve

programs early in the year. Funds allocated late in the year will serve to restrict needed facilities for program expansion for six to twelve months. If the intent is to cut needed expenditures instead of expansion, this regulation will be effective for this purpose.

There should be no hungry children in America's schools.
Thank you.

STATEMENT OF CONGRESSMAN JAMES ABOUREZK

Mr. Chairman: I want to thank you for the opportunity to present this statement on a subject which I feel is of critical importance to school children across South Dakota and the nation. I regret that I could not be with you to testify in person, but previously scheduled hearings of my Indian Affairs Subcommittee in South Dakota have made that impossible.

For three years now I have followed the fine work being done by your Select Committee on Nutrition. Your Committee has established beyond doubt the disgrace of hunger in America, it has pushed hard for programs to end this disgrace, and it has watch-dogged administration of existing programs to insure that misguided economies and bureaucratic inertia are not allowed to perpetuate the conditions these programs are supposed to eliminate.

Because I know that this Committee understands better than I the background leading up to the Administration's proposed 300 million dollar cut in the School Lunch Program, and the many promises that this cut threatens, I will confine my remarks to a brief summary of the effects that this cut will have on my state of South Dakota. When I first learned of the school lunch cutback which is the subject of your hearing today I contacted the South Dakota Superintendent of Public Instruction Dr. Don Barnhart, and his School Lunch Director Mr. Martin Sorenson, to ask them what effect this would have on their program in South Dakota. Their answers, multiplied fifty times, provide an excellent summary of what trimming 300 million dollars in Federal funds out of the School Lunch Program will mean to our nation.

Mr. Sorenson told me that over the past year, under the liberal 60¢ per meal formula, South Dakota has undertaken an aggressive effort to expand her School Lunch Program. He said that scores of schools in our larger towns, our rural areas, and on the Indian reservations, have moved to initiate or expand school lunch efforts. He characterized this expansion as a glowing promise to thousands of kids that they could count on a good hot school lunch from now on.

Mr. Sorenson then went on to advise me in no uncertain terms that this promise cannot possibly be kept if South Dakota is deprived of the 500,000 dollars which is her share of the 300 million dollar national cutback. He said that nobody familiar with the financial plight of South Dakota schools could possibly expect them to pick up this 500,000 dollar tab. A few of the strongest schools might be able to keep their promise to the children, but in the cities and on the reservations, the very places where a hot lunch is most needed, a rollback of Federal funding will translate directly into broken promises and continued hunger for our children.

We have heard a great deal lately about sacrifice. Workers are asked to sacrifice their pay to check inflation. Farm families are required to sacrifice by accepting the lowest prices in decades. All of us are asked to sacrifice to protect a corrupt dictatorship in Vietnam. And now it appears that even our school children are going to be asked to sacrifice, by giving up their hot lunches.

I have nothing against sacrifice. The President is right when he delivers his little exhortations on sacrifice so that future generations might have more. But the President too often seems to forget that there are two vital preconditions to any call for sacrifice by a people. This call must ask sacrifice in the name of a worthy goal, and it must ask that the burden of sacrifice be shared evenly by all of the people.

It seems to me that what we are considering here today is just one more in a whole series of meaningless, selective sacrifices imposed on America in recent years. What is the goal for which hundreds of thousands of school children are asked to give up their meals? If it is economy in government, then how can we justify selecting our schoolchildren for a 300 million dollar cut when we have just put 250 million dollars behind the failure-prone Lockheed Aircraft Company?

Mr. Chairman, it seems to me that in Vietnam, in the question of stabilizing our national economy, and now again in the matter of slashing lunch funds, we

are asking the wrong people to sacrifice for the wrong purpose at the wrong time. I submit that it would be difficult to find a worse place in the entire Federal Budget to slash than the place the Administration proposes to cut. The National School Lunch Program is a proven success. It feeds kids. It helps them to learn. It redeems the President's promise to end hunger in America.

I urge this Committee and the Administration to restore these cuts and fulfill their pledge to the schoolchildren of America without delay. Thank you.

Senator McGOVERN. I defer now to Senator Cook.

Senator COOK. Thank you, Mr. Chairman.

Mr. Bartlett, practically every school district in the country has to establish its school budget early in the year, for submission to the proper State authorities during the course of the spring, for consideration of local taxing authorities to establish rates—if they can establish rates, or within the maximum, if it has already been established. Is that not true?

Mr. BARTLETT. That is correct.

Senator COOK. How often does your State legislature meet in Tennessee?

Mr. BARTLETT. We meet annually.

Senator COOK. The State Legislature in Kentucky meets every 2 years, which means it will not meet again until next year. Then it will be proposing a budget for the 1972-73 biennium. Thus, under the circumstances, unless there were sufficient funds within State government at this time, there could be no funds that could be appropriated, could there?

Mr. BARTLETT. Absolutely not.

Senator COOK. Unless, conceivably, a special session of the legislature were held?

Mr. BARTLETT. A special session would have to be called by the Governor, yes.

Senator COOK. If it is necessary for school boards to submit their budgets this early in the year, can you see any reason why school food service directors should be notified of a curtailment of a program on August 23—a few days before school starts?

Mr. BARTLETT. No, none whatsoever.

Senator COOK. It almost gets to the point of being ridiculous, does it not?

Mr. BARTLETT. It is ridiculous, sir.

KENTUCKY BREAKFAST PROGRAM COULD BE ENDED

Senator COOK. I will tell you how ridiculous it is in my State, Mr. Bartlett. If we cannot get the Department to change these regulations, it is conceivable that the entire breakfast program in the State of Kentucky will be completely finished by the end of September, as there will be no funds of any kind to continue this program to the balance of the year. This came to all of the respective districts as a result of the actions of the Department on August 23—just a few days before school started.

It seems to me, if I take your figures—and by the way, it is anticipated—Congress is going to be asked shortly to accelerate the ability of the American people to increase their personal exemption on themselves and their children by \$50—if your figures and your statement

are correct; then meals will go to 69 cents. I hope you do not mind if I round it off at 70 cents.

Mr. BARTLETT. We used 69 cents purposely.

Senator COOK. For school districts with 75-percent effectiveness of the program, that means on a 255-day schoolyear the cost will be \$178.50 to the parent. Whereas if we utilize the figure of 43 cents to those who could afford it, the cost would be \$109.65. A schoolyear increase to the parent for each one of his children of \$68.85. And that means we have increased his so-called \$50 deduction by \$18.85. Thus, we really have not given him much of a favor; have we?

Mr. BARTLETT. I do not like that kind of favor, sir.

[Laughter.]

Senator COOK. It just seems to me that we have created a program, we have set up a formula for the State, and we are saying to the States: "We must accelerate a program even beyond what the Congress intended." I cannot quite understand that; and I am going to be very anxious to hear what the Department of Agriculture has to say.

You gave one figure for Hazard, Ky., which is Perry County. I would like to give you just a few more which are a great deal more serious, frankly.

Let's take, for instance, the City of Louisville School System. It will run at a loss of \$14,000 a month if your figures are correct, and if your interpretation of it is correct.

The Jefferson County School System will run at a deficit of \$47,000 a month. The Fayette County School System, which is Lexington, will run at a deficit of \$16,000 a month.

In an extremely rural county in Kentucky—Knott County, which is the home of Congressman Carl Perkins—it will run at a deficit of \$25,200 a year.

Compiling those figures, it means that four school districts in Kentucky alone would run at a deficit of \$949,200. The legislature that will return in the spring can do nothing but set up a biennium budget for 1972-73—unless it can have the authority to come up with a supplemental appropriation.

So we can see that the problems in the State of Kentucky will not only be catastrophic, but the most important, the entire breakfast program, conceivably, will go down the drain by the end of September.

NO JUSTIFICATION FOR USDA ATTITUDE

I can see absolutely no justification for the Department of Agriculture's attitude in regard to the absolute intent of Congress.

Mr. BARTLETT. We read it on the same wavelength, sir, exactly.

I would like to commend your State director in Kentucky for the magnificent job he has done in expanding the breakfast program. I guess Mr. Bevins has done perhaps the best job of any of us—in the southeast, I know—in expanding that program. And I think it is a real feather in his cap to have made this effort.

Senator COOK. The odd part about it is that this apparently means Mr. Bevins will have to be regressive instead of progressive, will it not?

Mr. BARTLETT. Right.

Senator COOK. It means the program that the Congress said should be expanded will, instead, have to cut back. Furthermore, you can not be aggressive in regard to getting new schools into the program, but you have to cut back the existing situation you already have. Consequently, you have to discourage everybody instead of encouraging everybody in a program that Congress intended to be encouraged, in the educational field, in order to give a sound and solid food program to the children?

Mr. BARTLETT. Right.

Senator COOK. Is this not what you think it really means?

Mr. BARTLETT. That is exactly what will happen. And if I could illustrate this: A school principal has a time period in which to process applications for free or reduced price lunches. If this school principal discovers that funds are going to be curtailed—and there could be some foot-dragging here—as a result, the children do not get fed as soon as they should.

Senator COOK. You are going to give a list of the districts throughout the country, which are going to be materially hurt, so that the USDA might know of the serious problem that exists. I think, at the same time, it might be helpful if you could give us a list of all the school districts in the United States that would have a surplus this year; that the USDA might add to that.

Mr. BARTLETT. I think it is right here.

Could I add one other statement?

Senator MCGOVERN. Go ahead.

Mr. BARTLETT. One county in my State, which at one time was identified as the fifth lowest per capita income county in the United States of the 1,000 poorest, last year had 938,500 meals served, of which 808,400 of these were free. The entire county has in excess of 85 percent poverty—

Senator COOK. That makes your 75-percent figure look pretty weak, does it not?

Mr. BARTLETT. Right.

And up until this year, Senator Cook, and Mr. McGovern, this school system has been using Title 1 of the Elementary-Secondary Education Act to help fund this program. So actually they would only lose \$25,000 this year under the USDA proposed regulations. But they will also lose the funding that they have previously received until Title 1. So we will have the double problem, here, in many of our rural counties on funding of School Lunch Program operations.

Senator COOK. Thank you.

Senator MCGOVERN. If the Senator would yield, I might just observe that this is hardly the way I thought Federal revenue sharing was supposed to operate.

[Laughter.]

Senator MCGOVERN. Senator Hart has long been a leader in the Senate, in the Congress, in the school lunch area, and has been the author of some of the principal features of this program. I would like to yield now to the Senator from Michigan.

Senator HART. Thank you, Mr. Chairman.

What was the figure you gave for the Detroit school district, in that list?

Mr. BARTLETT. Senator Hart, that was \$1 million.

Senator HART. Representing what?

Mr. BARTLETT. This is the loss that that school system would sustain if the 35-cent rule applies this year as proposed by USDA.

Senator HART. Mr. Chairman, I ask that a letter addressed to me from Howard Briggs, the Director of the feeding program in the Detroit Public Schools, be made a part of the record. He reacts with gentle outrage to the proposed regulations but does not, as I read the letter, give us that figure.

But, conscious of the burdens that the Detroit School District is carrying, I can understand fully the emotions that operated on him when he wrote the letter, knowing now that it is \$1 million he is talking about.

Senator McGOVERN. Without objection, the letter will be made a part of the record.*

Incidentally, as you know, Senator Hart, Mr. Briggs is one of those who helped us save the special summer feeding program and brought about a reversal in a cutback in that program. So I hope this is a good omen. Maybe we can get this program saved now, too.

Senator HART. I appreciate, Mr. Chairman, your making that comment about Mr. Briggs. He is effective.

If you were the parent of a hungry child in Detroit, you might think Mr. Briggs and the rest of us were not really trying. And we cumulate that reaction when we discuss a regulation such as the one pending.

ECONOMY "IN"—NEEDY CHILDREN "OUT"

I ask that the record contain a second letter addressed to me by two women from Grand Rapids, Mich., both of them long involved in the effort to increase School Lunch programs in Michigan. One paragraph of it expresses a feeling that I suppose is rather widespread:

Why is it that when Government agencies make a mistake it is usually the child who gets hurt? And you can be sure if these new regulations go through, a great many children will suffer. This is the year the word "economy" is in, and needy children seem to be the ones who are always affected by these economy moves. Maybe it's because as a pressure group they (the children) are not very effective. Since the children cannot speak for themselves, we'll just have to do their lobbying for them.

I hope this will be an effective lobbying job. The children probably never heard of the President. Or if they did, they do not remember the President promising that there would be no hungry children in America by Thanksgiving. That promise was made on Christmas Eve in 1969. This performance surely makes Christmas a movable feast and Thanksgiving very subject to change.

Mr. BARTLETT. Senator Hart, if I may say, perhaps the children are too hungry to hear.

Senator HART. Thank you, Mr. Chairman.

Senator McGOVERN. Without objection, that letter will be made a part of the record.**

Mr. BARTLETT. Senator McGovern, I would like to note for the record at this time that we have several people from our organiza-

*See Appendix 2, p. 1860.

**See Appendix 2, p. 1862.

tion attending from the New England area. They are Miss Gertrude Griney, director of the School Nutrition Programs of the Maine State Department of Education in Augusta, Maine; Mr. Edward L. Ryan, Chief, Education Field Services, State of Vermont, Department of Education, Montpelier, Vt.; and Mr. George A. Bussell, director of Child Feeding Services, New Hampshire State Department of Education, Concord, N.H.

Senator McGOVERN. Mr. Hansford, did you have a statement?

**STATEMENT OF BYRON HANSFORD, EXECUTIVE SECRETARY,
COUNCIL OF CHIEF STATE SCHOOL OFFICERS**

Mr. HANSFORD. Yes, I do.

Mr. Chairman, members of the committee, my name is Byron Hansford. I am the executive secretary of the Council of Chief State School Officers, an organization whose membership is made up of the chief State school officers of all of the States and territories.

I appreciate the opportunity to appear at this hearing and discuss some of the problems which will be faced by the States and local school districts as a result of the proposed regulations for the Federal-State Child Nutritional programs.

I could talk about the incredibly complex—and some people could say confused or confusing—regulations. But, there are others here today who are much more competent than I to do that, so I will talk about other issues. I could talk about the lack of meaningful dialog between the USDA and the people who implement the programs—and determine whether or not they will succeed—but, that problem is better left for another day, when we are not facing a crisis such as the one we have before us.

I could talk about the rationale, logic, and need for programs to feed hungry children; but, we are all in agreement on that. So I will spend a very few minutes on how I perceive the present situation, and what I think the almost certain consequences will be.

ALLOCATED FUNDS GROSSLY INADEQUATE

I believe the funds which have been allocated for this program for this year are grossly inadequate to meet the needs and to carry out the stated purpose of the program. I believe the proposed regulations put forth by the USDA are an attempt on their part to have their cake and eat it too, by passing on to the States and local districts the responsibility for making up the deficiencies in the Federal funding. Under the circumstances, one might reasonably assume that one of two things might happen: either the deficiencies will be made up; or the children will continue to go hungry. I can assure you that it will be primarily the latter. Even where States and local districts have the desire and financial ability to make up for the Federal Government's inadequacies, the timing, as Senator Cook has said, makes it well nigh impossible. Budgets and tax rates were set months ago. In practically every instance, legislative appropriations have been made, and in most States the legislatures have adjourned.

I do not think it is likely that the Governors of the respective States are going to call their legislatures back into session to bail out the Federal Government.

LEAST ABLE—HARDEST HIT

I would also like for the record to show that the States and local districts which are hardest hit by this inadequate funding are those which are least able to raise money on their own. They are the ones with large numbers of poor residents and/or many poor immigrants. If they are forced to spend additional money to feed hungry children, it will be at the expense of the educational program. The prospect of intellectual malnutrition is as appalling to me as is the prospect of physical malnutrition.

In conclusion, Mr. Chairman, members of the committee, let me say that I believe it is time for us to be completely honest in this matter. It is time for us to put all of our cards on the table. If the Government of the United States of America cannot afford to feed the hungry school children in this country, let's say so. Let us say that this year we are going to feed 7 million rather than 9 million, and then prepare honest and straightforward rules and regulations to implement such a program, rather than expecting others to bail us out.

I, of course, believe that the additional funds necessary to fund an adequate program are very small in comparison to other more questionable programs, and can well be afforded.

Finally, I would hope and propose—as the council has in the past—that a mechanism be devised to provide for meaningful dialog between the Federal officials and those who must implement the programs. This dialog must be ongoing and must provide all parties time to do appropriate planning so that hungry children may be fed.

Senator McGOVERN. Thank you very much, Mr. Hansford, for your statement.

I especially want to commend the point you made that we must close this gap between what we say we are going to do and what we actually do. I take it, the thrust of your point is that we are going to leave several million children outside this program if we continue with these regulations as presently proposed?

Mr. HANSFORD. Yes, sir.

Senator McGOVERN. Thank you for your testimony.

Thank you, Mr. Bartlett.

Now the committee would be pleased to hear from the Assistant Secretary of Agriculture, Mr. Lyng.

Mr. Secretary, you can proceed.

STATEMENT OF HON. RICHARD LYNG, ASSISTANT SECRETARY OF THE U.S. DEPARTMENT OF AGRICULTURE, ACCOMPANIED BY MISS ISABELLE M. KELLEY, ASSISTANT DEPUTY ADMINISTRATOR; EDWARD HEKMAN, ADMINISTRATOR; AND HERBERT ROREX, DIRECTOR, CHILD NUTRITION DIVISION, FOOD AND NUTRITION SERVICE, WASHINGTON, D.C.

Mr. LYNG. Mr. Chairman, and members of the committee, I have with me, on my left, Miss Isabelle Kelley, assistant deputy administrator of the Food and Nutrition Service. On my right, Ed Hekman, the administrator of the Food and Nutrition Service; and Herbert Rorex, the director of the Child Nutrition Division of the Food and Nutrition Service.

I am pleased to appear before the committee today concerning the proposed amendments to the School Lunch regulations which we issued for public comment on August 13th. It is apparent that there has been considerable confusion about those proposed regulations and their impact on the 1971-72 School Lunch Program. Therefore, we welcome this opportunity to clarify the issues.

Last year—the initial year of operation under the Public Law 91-248 amendments—resulted in substantial progress in the National School Lunch Program. In September of 1970, the month when most schools opened for the 1970-71 school year:

A total of 22.1 million children were being reached with a school lunch.

A total of 4 million children were being reached with a free and reduced-price lunch; and

A total of 77,454 schools were approved for participation in the program.

By April of 1971:

A total of 24.1 million children were being reached with a school lunch—up 9 percent over September.

A total of 7.3 million children were being reached with a free and reduced-price lunch—up 3.3 million over September, or 82 percent.

A total of 79,754 schools were approved for participation. Attendance in these schools represented 84 percent of all elementary and secondary school attendance.

That record of progress represented the combined work of local, State, and Federal government units, and thousands of dedicated school officials and concerned local citizens—backed by the traditional combination of local, State, and Federal financial support for the program.

There was, in fact, a sharp increase in Federal funding of school feeding programs for 1971—largely as a result of the administration's request for a supplemental appropriation of \$217 million following approval of Public Law 91-248.

The amount of the direct appropriations under Sections 4 and 11 of the National School Lunch Act more than doubled—from \$212.6 million in fiscal year 1970 to \$429.8 million in fiscal 1971. In addition, these direct appropriations were augmented by over \$150 million in special Section 32 funds—most of which was intended for free and reduced-price lunches. This augmentation was specifically authorized in our 1971 appropriation act and was a very substantial increase over the \$99 million in special Section 32 funds made available in the previous year's appropriation act. This level of 1971 Federal funding was designed to support a national average Section 4 rate of reimbursement of 5 cents per lunch and a national average rate of 30 cents under Section 11 for additional assistance for free and reduced-price lunches.

I am here today, Mr. Chairman, because the committee and a number of States have raised a question as to whether past progress in the program can be maintained in 1972—much less additional progress obtained—under the 1972 Federal funding structure outlined in the proposed regulations the Department issued on August 13th.

We believe that significant additional progress is possible. In fact, Mr. Chairman, we believe that our proposal presents a dramatic breakthrough in program funding.

First, we can avoid the mid-year funding uncertainties of last year. At that time, fund shortages in some States were threatening the continuation of their programs while other States had millions of dollars in excess funds.

Second, there is an increase in the amount of Federal funds available to provide special assistance for free and reduced-price lunches in 1972—about \$78.8 million more than was spent in 1971.

Third, for the first time in the history of the program, a State—needing to expand its program to substantially more schools and substantially more children—can do so without fear that such expansion will be at the expense of an unwarranted reduction in levels of assistance to already participating schools and children.

That your committee and some States could have some very different initial reaction to our proposed regulations certainly raises the question as to whether our proposals were, in fact, clearly stated or clearly understood.

The funding structure of the National School Lunch Program is complex. And it has become more complex in the past 3 years because our annual appropriation acts have authorized the use of some Section 32 funds to augment the funds directly appropriated for the National School Lunch and Child Nutrition Acts. We have concluded, therefore, that to clarify the intent and impact of our proposed regulations, it is essential to explain the structure under which the school lunch programs is federally funded; to review 1971 program funding; the situation that would have existed if we had continued the 1971 funding structure in 1972; and, finally, how our proposed 1972 funding structure will actually work.

THE BASIC FUNDING STRUCTURE

The National School Lunch Act authorizes two annual appropriations for the program—one under Section 4 of the act and one under Section 11. The act also specifies exactly how each of these annual appropriations is to be apportioned among the States.

Section 4 funds are apportioned among the States on the basis of the number of type A lunches previously served by each State and the relationship between each State's per-capita income and the per-capita income of the United States. For fiscal 1972, the apportionment formula uses the number of type A lunches served by each State 2 years ago—in fiscal 1970. Section 11 funds are apportioned on the basis of the relative number of school-age children in households with annual incomes below \$4,000 that reside in each of the States.

The Section 4 funds are used to help schools buy food for the lunches served to all children—to both children who pay the full price of the lunch and the children who receive free and reduced-price lunches. The Section 11 funds are used to provide additional special assistance for lunches served free or at a reduced-price to children who meet a school's eligibility standards for such lunches.

Both the Section 4 and 11 funds are actually disbursed to schools by the State on the basis of an assigned per-lunch reimbursement rate. The Section 4 rate is applied to all the lunches; the Section 11 rate ap-

plies only to the free and reduced-price lunches. In the program regulations, the Department of Agriculture establishes maximum reimbursement rates that a State may pay under Section 4 and Section 11. Thus, the actual rates of assistance a State may pay a school under Section 4 or Section 11 depend upon two factors: (1) The amount of funds made available to the State for Section 4 and 11 purposes each fiscal year; and (2) the maximum per-lunch rates of assistance authorized by the Department.

MAXIMUM RATES OF ASSISTANCE

Many people have interpreted our proposed regulations as requiring a reduction in the maximum rates of assistance that were in effect during the last school year. This is not the case.

The maximum rates authorized for Section 4 and Section 11 are, of course, considerably higher than the rates actually paid on an average basis. The higher maximums permit the States, if they so elect, to vary rates around the average—in order to provide above-average rates to the poorest schools and less-than-average rates to the affluent schools.

In the regulations we issued last September for the 1970-71 school year, the following maximum rates were authorized:

12 cents per lunch under Section 4;

30 cents in addition for each free and reduced-price lunch under Section 11, with a proviso that the neediest schools could receive up to 60 cents for each free and reduced-price lunch.

If a State determined that a school needed in excess of 30 cents for a free and reduced-price lunch, our regulations required that such a school receive Section 4 assistance at the maximum rate of 12 cents. The Section 11 rate could then exceed 30 cents—up to a maximum of 48 cents—or a total of 60 cents in combined funds.

As you know, Mr. Chairman, and as has been brought out this morning, this latter provision—called the “12-cent rule”—met opposition among the States. They felt it endangered the total program because Section 4 funds had to be diverted from the more affluent schools in order to pay 12 cents in Section 4 funds to the neediest schools. They felt all the extra assistance for free and reduced-price lunches required by the neediest schools should be financed out of funds available for Section 11 purposes.

Effective in February, we did, in effect, suspend the 12-cent rule. We allowed States to finance the required increase in Section 4 rates for the neediest schools out of funds available for Section 11 purposes.

The maximum rates of assistance we have authorized in the proposed regulations remain essentially unchanged from the 1970-71 rates. A State is still authorized to pay its neediest schools up to 60 cents for a free or reduced-price lunch. (A maximum rate of 50 cents is authorized if the school is serving a significant number of reduced-price lunches because it would be receiving revenues from the reduced-price payments.)

Our proposed amendments are concerned with the distribution of available funds among the States—with the average reimbursement to be paid on a statewide basis—not the maximum rates.

1971 PROGRAM FUNDING

The 1971 appropriation act contemplated a national average Section 4 rate of 5 cents and a national average reimbursement rate of 30 cents in additional assistance for free and reduced-price lunches.

The following amounts were provided in the 1971 appropriation act to finance those contemplated rates: A direct appropriation of \$225 million in Section 4 funds and a direct appropriation of \$204.7 million in Section 11 funds. The use of \$154.7 million in special Section 32 funds also was authorized in our appropriation act.

As I indicated earlier, the National School Lunch Act specified how the Section 4 and Section 11 funds are to be divided among the States. The use of the special Section 32 funds is at the discretion of the Department but the appropriation act contemplated that most of the special Section 32 fund would be used to supplement the Section 11 appropriation for free and reduced-price lunches.

Without any experience on which to judge the impact of Public Law 91-248, the Department decided to use the special Section 32 funds as follows:

The entire amount—\$154.7 million—was apportioned to States under the Section 11 apportionment formula. The Section 11 formula was selected because most of these Section 32 funds were expected to be used for Section 11 purposes for free and reduced-price lunches.

We did give States flexibility in the use of these Section 32 funds. In addition to using them for free and reduced-price lunches, they were authorized to use the funds to augment funds appropriated for the school breakfast program and the funds for equipment assistance for needy schools, especially for "no-program" needy schools.

However, as we gained operating experience under Public Law 91-248, it was apparent that that method of distributing the special Section 32 funds was creating a program. It did not put the funds in the States where they were needed. By January, some States were reporting that they would soon exhaust their funds; other States reported they had a surplus in funds. By mid-April—under the cumbersome and time-consuming reapportionment method—we were able to transfer over \$30 million from States with a surplus to States with a deficit. But, during the period we were effecting those fund transfers, the deficit States had to operate under our assurance that we could obtain the release of funds from other States.

After this experience, we concluded that it would be in the best interest of all of the States if a method for distributing the available funds could be found that would better distribute the funds among the States in accordance with expected participation at the beginning of the school year.

This exploration led us to another conclusion; one that—in our view—represents a real breakthrough in school lunch financing. We concluded that we needed to go beyond funding at proposed national average reimbursement rates of 5 cents under Section 4 and 30 cents under Section 11. We felt we needed to guarantee each State that—no matter how much it expanded its program—it could be assured that it

would be able to maintain a statewide average rate of 5 cents under Section 4 and a statewide average rate of 30 cents under Section 11.

This is the essence of our August 13th proposal.

States will be able to maintain average rates in excess of these guaranteed average rates if they can afford to do so out of their share of the direct appropriation of Section 4 and 11 funds in 1972. No State will be asked to release any of their direct apportionments for use by other States. If it is true that a few fortunate States would have been able to maintain even higher Section 11 rates in 1972, if we had continued last year's method of distributing Section 32 funds. But those higher rates would have meant that other States might have been able to pay only an average of 20 to 25 cents in Section 11 assistance—and in a few States the rate could have been below 20 cents.

THE IMPACT OF OUR PROPOSALS

We have a series of charts that summarize the impact of our proposed regulations on Section 4 and Section 11 funding.

This first chart shows the 1971 expenditures for Section 4 and Section 11 purposes and the amounts provided under our annual appropriation act for 1972 for these same purposes:

CHART A

FEDERAL FUNDING-NATIONAL SCHOOL LUNCH PROGRAM FY 1971 AND FY 1972

	FY 1971 (PRELIMINARY)	FY 1972 (APPROPRIATION)
	MILLION DOLLARS	
<u>REGULAR SEC. 4 APPORTIONMENT</u>	\$225.0	\$225.0
<u>NEEDY SCHOOLS AND CHILDREN</u>		
SEC. 11 APPORTIONMENT	203.8	237.0
SPECIAL SEC. 32		
TO FINANCE 12-CENT-RULE	20.8	—
FREE AND REDUCED-PRICE LUNCHES	86.8	153.2
SUB TOTAL	311.4	390.2
GRAND TOTAL	\$536.4	\$615.2

U.S. DEPARTMENT OF AGRICULTURE

FOOD AND NUTRITION SERVICE

As this chart indicates, the amount of money available for Section 4 purposes in 1972 is the same as was appropriated in 1971—\$225 million.

There is \$78.8 million more available for special assistance for free and reduced-price lunches than was spent in 1971—\$390.2 million compared to \$311.4 million.

Fewer total lunches, and fewer free and reduced-price lunches, were actually served in 1971 than had been estimated in the 1971 Appropriation Act. As a result, the 1971 national average Section 4 rate was 5.9 cents, compared with the planned rate of 5 cents. The national average rate for free and reduced-price lunches (Section 11) was 31.1 cents, compared with the planned rate of 30 cents. Additionally, substantial amounts of the special Section 32 funds were used for equipment assistance, although the appropriation act contemplated that most of the special Section 32 funds would be used for free and reduced-price lunches.

The second chart shows the statewide average Section 4 rates that were paid out of the \$225 million in 1971 by the 50 States and the District of Columbia; the projected average rates that those States could have paid in 1972 without our proposed change in the use of the special Section 32 funds; and the projected average rates under our proposal:

CHART B

AVERAGE SECTION 4 REIMBURSEMENT RATES FROM \$225 MILLION APPORTIONMENT

50 STATE AGENCIES AND D.C.

AVERAGE STATEWIDE RATE PER LUNCH	NUMBER OF STATES	
	FY 1971 (PRELIMINARY)	FY 1972 WITHOUT USDA PROPOSAL WITH USDA PROPOSAL
7.0 CENTS AND ABOVE	6	2 2
6.0 TO 6.9 CENTS	9	11 11
5.0 TO 5.9 CENTS	22	21 38
4.0 TO 4.9 CENTS	12	12 0
BELOW 4 CENTS	2	5 0
	51	51 51

U.S. DEPARTMENT OF AGRICULTURE

FOOD AND NUTRITION SERVICE

In the absence of our proposed change, 17 States were faced with an average statewide Section 4 rate of less than 5 cents and five of these were faced with an average rate of less than 4 cents. We are proposing to guarantee every State a statewide average rate of 5 cents.

The third chart shows the same information for the Section 11 rates—the special assistance for free and reduced-price lunches: The average statewide payments out of the \$311.4 million expended for this purpose in 1971; the projected rates that would have prevailed in 1972 if we had not proposed a change in the distribution of special Section 32 funds; and the projected rates under our proposal.

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CHART C

AVERAGE REIMBURSEMENT PAYMENTS FOR FREE AND REDUCED-PRICE LUNCHES

50 STATE AGENCIES AND D.C.

AVERAGE STATEWIDE RATE PER LUNCH	NUMBER OF STATES		
	FY 1971 (PRELIMINARY)	FY 1972 WITHOUT USDA PROPOSAL	FY 1972 WITH USDA PROPOSAL
40.0 CENTS AND ABOVE	11	15	0
35.0 TO 39.9 CENTS	9	8	1
30.0 TO 34.9 CENTS	15	9	50
25.0 TO 29.9 CENTS	12	7	0
20.0 TO 24.9 CENTS	2	9	0
BELOW 20 CENTS	2	3	0
	51	51	51

U.S. DEPARTMENT OF AGRICULTURE.

FOOD AND NUTRITION SERVICE

If we had continued last year's method of distributing the \$153.2 million in special Section 32 funds, and every State used all of its Section 32 money for free and reduced-price lunches, 19 States could have faced statewide average rates of less than 30 cents for free and reduced-price lunches. Of these 19 States, the average rates in 12 States could have been below 25 cents and three of the 12 could have faced an average statewide rate of less than 20 cents for each free and reduced-price lunch. Our proposal guarantees every State at least a minimum statewide rate of 30 cents for each free and reduced-price lunch.

EQUIPMENT ASSISTANCE

Before summarizing these proposals on the distribution of available funds, I want to comment on a second part of our August 13 proposals—those that affect the equipment assistance funds.

Section 5 of the Child Nutrition Act authorized Federal equipment assistance for schools which draw their attendance from areas in which poor economic conditions exist—in short, needy schools. The funds can be used to help needy schools which have “no, or grossly inadequate” food service equipment.

In 1971, a total of \$15 million was appropriated for this equipment assistance. But States elected to use substantial amounts of their special Section 32 apportionment for equipment assistance last year. In total, reports from the States now show that a total of \$36.7 million was used for equipment assistance last year.

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Our fourth chart shows the amounts used for equipment assistance for needy schools in 1970 and 1971. You will note that most of these funds went to schools that were already operating a food service.

CHART D

EQUIPMENT ASSISTANCE FOR NEEDY SCHOOLS

	<u>SCHOOLS</u>	
	<u>FY 1970</u>	<u>FY 1971 (PRELIMINARY)</u>
TOTAL SCHOOLS ASSISTED	7,974	15,500
NO-PROGRAM SCHOOLS ASSISTED	534	1,402

	<u>DOLLARS</u>	
TOTAL FOR NON-FOOD ASSISTANCE	\$16,705,170	\$36,697,000
TOTAL FOR NO-PROGRAM SCHOOLS	2,799,569	9,242,966

U.S. DEPARTMENT OF AGRICULTURE

FOOD AND NUTRITION SERVICE

There is no doubt that some already participating schools did have "grossly inadequate" equipment. But, we now believe greater emphasis should be placed on the use of these funds to bring needy "no-program" schools into the type A program.

We are holding equipment funds in 1972 to the \$16.1 million authorized in our appropriation act. We have amended our regulations to place a positive obligation on States to seek out—and work with—needy, "no-program" schools. And, we are proposing that at least half of each State's equipment funds be held in reserve for "no-program" schools until March 1—unless the State can demonstrate that the funds should be released for already participating schools at an earlier date.

In summary, returning to our August 13th proposals on the distribution of cash assistance funds to the States, we would want to emphasize these points:

First, our proposals are not designed to save funds. We expect to spend all the funds authorized in our 1972 appropriation act.

Second, we have not reduced the maximum rates of assistance that were authorized for last year.

Third, we will be placing a floor under Section 4 and Section 11 rates on a statewide basis for the first time—a floor that is guaranteed no matter how much expansion a State is able to achieve.

Fourth, we do not believe that we should have continued a method of distributing funds among the States which—because of the vagaries

of statistical apportionment formulas—allowed some States a “funding feast” while other States suffered from a “funding famine.”

Finally, we want to reemphasize that the National School Lunch Act contemplated that the funding of the program would be a joint Federal, State, and local responsibility. This principle was reaffirmed in the Public Law 91-248 amendments. One of those amendments required, beginning this fiscal year that all States put State tax revenues into the program. It also provided that States should disburse these tax revenues in a manner that would concentrate them on assistance to the neediest schools.

Senator McGOVERN. Thank you, Secretary Lyng.

Mr. Lyng, one thing puzzles me. I take it, the thrust of your statement is that these school lunch directors across the country, and others, have really misunderstood what the regulations, that you have promulgated, are all about. Is that a fair statement of what you have said?

Mr. LYNG. I think that they have misunderstood them, Mr. Chairman. And if I may add to that, because if I just leave the answer at that, I think it will be incomplete—I think they have partially misunderstood them, and I think the school lunch directors are taking this opportunity to indicate their dissatisfaction with the total Federal funding of school lunches.

Senator McGOVERN. Well, what I cannot understand is: How do you explain the fact that 37 school lunch directors—some of them with experiences running to 25 years—would not be able to properly interpret regulations that seem to be as simple as these? I do not understand how the Department of Agriculture can issue a few guidelines, send them out to the field, and get a unanimous rejection from school lunch directors all over the country. Are they really that hard to understand?

Mr. LYNG. No, I do not really think they are. I am as baffled as you are, Mr. Chairman.

I am not baffled by the expressions of dissatisfaction at the amount of Federal funding, because in this, the school lunch directors are being consistent.

Senator McGOVERN. I do not want to leave the impression I am baffled at the reaction of the school lunch directors. What I am baffled at is how the Department can devise regulations that can be so universally misunderstood, and objected to, by men and women with long years of experience in administering this program. It seems to me that there must be something wrong with the regulations.

Mr. LYNG. I suspect, Mr. Chairman, that if the regulations provided for higher reimbursement rates, we would find that the school lunch directors would have a different attitude toward them.

REGULATIONS ARE TO PROVIDE CUTS

Senator McGOVERN. I think that is the key point, then. Is it not a fact—if we are just going to talk bluntly about this—Mr. Secretary, that you were really under pressure from the Office of Management and Budget to cut the overall cost of this program? This is the crucial fact—that it was the determining factor under which these regulations were devised? In other words, you did not set up to carry out the

mandate of Congress to provide free or reduced-price lunches to every child. You did not have in mind the President's pledge, that Senator Hart referred to, at Christmas of 1969—that we were going to feed every needy child in this country by Thanksgiving of 1970? But, rather, what you had in mind was pressure from the Office of Management and Budget—telling you to cut the cost of this program. Is that not a fact?

Mr. LYNG. We have not cut the cost of the program, Mr. Chairman. Our constraint was the amount of money in the Appropriation Act as passed by Congress.

Admittedly, that was substantially the amount of money that had been requested by the administration in the budget submitted last January.

Senator MCGOVERN. Was it not a fact that the legislative history was clear, that we wanted the program expanded? Every indication was that Congress would provide separate funds, if they were necessary to carry out this mandate to feed hungry children. Yet you have devised regulations that make it impossible to expand the program beyond its present level. Is that not a fact?

Mr. LYNG. Well, I do not really think I could agree with that, Mr. Chairman. I believe that the program that we have outlined, which gives a minimum guarantee, permits the expansion, with some knowledge on the part of the food service people, that regardless of how many children they serve, they will continue to get this kind of a per lunch reimbursement.

NEW GUIDELINES WILL HALT PROGRAM

Senator MCGOVERN. Now that is where the rub comes, Mr. Lyng, because the school directors tell us they cannot expand the program. You heard Mr. Bartlett—a man of great experience in running the program in Tennessee—and others that have stood with him, some 37 school lunch directors, say in effect that this new guideline brings the program to a screeching halt.

Now what they are saying, in effect, is: If they have to stay by these regulations there will be no expansion. Some schools will drop out of the program entirely; some of them will have to retrench; none of them can go forward under these guidelines, that you have spelled out.

You do not really allow any room, do you, for an expansion of the program?

Mr. LYNG. As I indicated in my testimony, Mr. Chairman, this is undoubtedly creating some problems in some States. In a number of other States, the average appropriation under the formula system would have been disastrous, if we had used the amount set last year, with some States receiving far less than 30 cents.

Senator MCGOVERN. It might have been a disaster if we had not had supplemental appropriations to permit the expansion, but the record was left open. The legislative record was left open so that Congress could come back and take another look at the need for additional funds as the program moved ahead.

But I come back to this question again: Are we not really talking about a situation in which a budget bureau—or what is now called the Office of Management and Budget—did they not tell you that you had

to cut the amount of money available to this program to a certain figure? And, is that not really the crux of the matter?

Mr. LYNCH. The Office of Management and Budget approves the budget before it is submitted to the Congress, and in that sense they have, of course, some say, as to what amount is expended here, that is correct.

Senator MCGOVERN. It seems to me, then, that we have the same kind of situation we had earlier this summer, Mr. Lynch. We had you here before this committee in connection with proposed cuts in the Summer Feeding Program. You will recall that the committee interrogated you as to why these cuts were necessary; and then a few days later, the money was restored.

I am very much hopeful the same thing will happen here. With your influence, and with the expression of concern that has been heard here this morning by these school lunch directors, you can go to your associates and Secretary Hardin, and to those who are calling the shots on the budget, and get enough money put into this program so that we can expand it.

Now I think the way to do that is to change these regulations so that you provide a more generous level of reimbursement. And then, if we need additional funds, the Congress can provide supplemental appropriations as we move along.

But it seems to me, the clear thrust of the testimony of the school lunch directors is that if you stay with these present regulations, they cannot plan for any expansion. They cannot set the stage for additional funding by the Congress, because you have devised regulations that make it impossible for them to plan a true expansion of the School Lunch programs.

As Senator Cook said, you are going to kill the breakfast program in his State. Other school districts are going to drop out entirely.

So I am very hopeful that the Department will reconsider these regulations in the light of the pledges that both the Congress and the administration have made to these hungry children all across the country.

WHAT WAS REASON FOR USDA TIMING?

Another point I want to make: Why did the Department wait until a few days before school opens to announce these new guidelines? Is that not unfair to people who have to plan school budgets?

Mr. LYNCH. Yes, Senator. It would be much better if we could have done it earlier.

The Congress passed our appropriations bill on July 22d. The President signed it into law on August 10. Prior to that time, I had announced to the American School Food Service, early in August, generally what our regulations would be. And we published the proposals on August 13, three days after the President signed the Appropriations Act. We felt that it would be improper to do it earlier than that.

Senator MCGOVERN. Senator Hart, do you have questions?

Senator HART. Mr. Chairman, you have expressed very ably the hope that I share: That in view of the record here made, the revision of the regulations as the Chairman suggests will follow.

One reading your summary, Mr. Secretary, might wonder why all the flap. You state, correctly, that you are going to spend all the 1972 appropriation authorizes.

The flap is over the fact, as the Chairman says, that if you did not have those regulations, those proposed regulations, you would have had to spend more. And that is the meat and potatoes.

CONGRESS SAYS FEED THE CHILDREN

This Congress says that we want to feed the children, and we say if \$ dollars will not do it, get the money out and we will come up with a supplemental.

I think that summarizes the disagreement and explains the outrage from those men and women who are attempting to feed the children.

Senator McGOVERN. Thank you.

Senator Cook?

Senator COOK. Thank you, Mr. Chairman.

Mr. Secretary, either what I have said previous to your testimony is totally wrong and it will be proven wrong—in which event I will send you a letter of apology; or what you have said is going to be proven wrong—in relation to Mr. Bartlett's testimony—in which event you won't have to apologize to anybody because all the State school food service directors will chew you up and spit you out. Also the other school superintendents and school boards all over the country will do likewise.

NO KNOWLEDGE OF PROPOSED CHANGES

But here is the problem that I have. Not having heard from the Department of Agriculture that this was proposed or that this was anticipated; and hearing only from the people in my own State who are going to be directly affected, I am faced with much difficulty to answer this question. Here is what Mr. Bevins says in his letter.

At a meeting of State School Food Service Directors and USDA officials in Atlanta, Georgia, during the week of August 23, 1971, the announcement was made that no additional funds other than those available as a result of Public Law 92-32 were available to continue the Breakfast program during fiscal year 1972. This was quite a shock to me as director of the School Food Services for Kentucky and a fear that consternation would reign among local school officials in more than 500 schools should it be necessary to cancel the Breakfast programs at the end of September 1971. Public Law 92-32 will provide only sufficient funds for the months of August and September combined for School Breakfast.

Now, how do I answer that question or that proposal that this, in fact, would be true?

Mr. LYNG. Senator Cook, I do not have before me the figures that show how much the State of Kentucky transferred from Section 32 to school breakfast, but we will get that for you very quickly.*

ADDED INFORMATION BY SECRETARY LYNG

I do have figures that would indicate that last year the State of Kentucky had an average reimbursement for Section 4 of 7.3 cents per school lunch, and an average of Section 11 reimbursement rate of 31.7 cents. That under this proposal will be slightly lowered to a projected rate of 6 cents average for Section 4 and 30 cents for Section 11.

Kentucky was one of those States that would have been considered one of the favored States under the previous allotment formula.

*See paragraph below.

Senator COOK. Now, will there be Section 32 funds that will make up this difference, under the proposal that you have set forth?

Mr. LYNG. There will be Section 32 funds included in those minimum rates that I am referring to.

In addition to that, we have \$25 million this year for school breakfasts, which is up \$13 million over last year, and should reduce the need for Section 32 funds. So I am hopeful that Kentucky will not lose as much as you are indicating.

However, this will all depend on how much of the Section 32 funds were transferred, because it could be that Kentucky, if they transferred a heavy enough amount would still have difficulty in getting that much from the apportionment formula for school breakfasts under the line item budget. We will get those figures to you as quickly as possible and include them for the record,* Mr. Chairman.

Senator COOK. I would like them very much, Mr. Chairman.

I would also like to have inserted in the record a letter from Mrs. Davis, the Food Service Director of the Todd County Board of Education in Elkton, Ky.

Senator MCGOVERN. Without objection, the letter will be made a part of the record.**

Senator COOK. Also the letter from Mr. Bevins, who is the director of the Division of School Food Service.

Senator MCGOVERN. Without objection, that letter will also be made a part of the record.**

Senator COOK. Because these problems are represented here and, obviously, if suitable answers can be given, then conceivably what you are really attempting to do is to see to it that there is, at all times, a cost factor allocation to the States. Not a factor that allows a State to build up a surplus. That what, in effect, you might be doing—if you are successful in this effort—is to see to it that it is on a kind of pay-as-you-go basis rather than to have a number of States who wind up with a material surplus in this program. Am I correct in this, or am I not?

JUST TRYING TO DIVIDE AVAILABLE FUNDS

Mr. LYNG. Yes, that is correct. And we have this problem, too, that under a statutory formula system of allocating funds, where you have States that do not use the money and also States that need it and receive reallocated funds, in the following year when we allocate again, under the statutory formula, we have a problem of cutting back the State that has done a particularly good job with reallocated funds. We have, in fact, used Section 32 funds somewhat arbitrarily to maintain the programs where they are going, not based upon the formula as it existed. And this is part of the very confused funding arrangement that we have had in school lunch and school breakfast.

We are hoping that we can move away from that, and I believe that the School Food Service people, the State school lunch directors would welcome this kind of a change, provided we would have a sufficient amount of money.

*See added information by Secretary Lyng, p. 1776.

**See Appendix 2, p. 1863.

And I recognize their problem, because they have a very grave one. And we have gotten along quite well with these people.

We are simply trying to divide up the amount of available funds in the most equitable way possible without being able to give them all the funds that they would like to have.

Senator Cook. Well, I hope that you are correct.

I did get a feeling, from conversations with my colleagues, that in effect these regulations may be of such a stringent nature that even if supplemental appropriations were made, it would be difficult to utilize those supplemental appropriations in relation to the formula you have set up for the distribution of funds. Therefore, it would be very questionable in my mind that we could sit here and contend with any regulations that would not be broad enough to take into consideration supplemental funds, and the direct appropriation of those supplemental funds that Congress would make available to this program—if it saw fit, in its judgment, to make such a supplemental appropriation.

Mr. Lyng. I am sure, Senator, if there were additional funds, that the proposed regulations could accommodate them.

Senator Cook. Thank you, Mr. Chairman.

Senator McGovern. Thank you, Mr. Secretary. We appreciate you and your colleagues being here before the committee today.

Our final witness is an important witness, Miss Josephine Martin, who is the chief consultant of the School Food Service program, Georgia State Department of Education, and Miss Martin is also chairman of the Legislative Committee of the American School Food Service Association.

I think every one on this committee and others recognize her as an expert with great experience in this whole school lunch field.

So we are pleased to hear your testimony, Miss Martin.

**STATEMENT OF MISS JOSEPHINE MARTIN, ADMINISTRATOR,
SCHOOL FOOD SERVICE PROGRAM, GEORGIA DEPARTMENT OF
EDUCATION; AND, CHAIRMAN, LEGISLATIVE COMMITTEE,
AMERICAN SCHOOL FOOD SERVICE ASSOCIATION**

Miss MARTIN. Thank you, Mr. Chairman.

Mr. Chairman, and members of the committee, in addition to my statement that I would like to file for the record today, I would like to file a statement from my State Superintendent Jack P. Nix. In addition to being State Superintendent of Schools in Georgia, Mr. Nix is Coordinator of the School Lunch Committee of the Counsel of Chief State School Officers. He was sorry that he could not be here today, but did wish to have his statement filed with the Committee.

Senator McGovern. The statement will be made a part of the record.*

Miss MARTIN. Thank you, sir.

My name is Josephine Martin, and I am Administrator of the School Food Service program of the Georgia Department of Education. I am also Chairman of the Legislative Committee of American School Food Service Association.

*See Appendix 2, p. 1865.

In Georgia, we do serve 83 percent of all the children in school. Our number of lunches being served to economically needy children increased from 149,000 in September of 1970 to 290,000 in April of 1971. But I am not representing Georgia today.

Today I represent the American School Food Service Association, an organization of 50,000 professional school food service people; an organization dedicated to the concept of lunches for all children; an organization that perceived Public Law 91-248 as a mandate from the President and from Congress to provide lunches to all needy children in America's schools.

CRISIS DEVELOPED BY USDA'S REGULATIONS

We thank you for focusing attention on the problem today.

Since Public Law 91-248 was signed by the President in May 1970, we have worked diligently to fulfill that mandate, but we now face a crisis—a crisis developed by the USDA's proposed regulations for administering School Lunch programs. The regulations are restrictive, provide inadequate funds, and are not clear.

In my judgment this is the most serious crisis faced by School Lunch since the passage of the Act in 1946. The regulations if implemented will negate much of the progress made in the last 25 years. On Tuesday of last week, principals in one south Georgia county were saying, "We will have to close our lunchrooms; we cannot operate on the limited funds." And yet these are the principals along with hundreds of others with the same sentiment that brought lunches to children for the first time in the sixties.

They say it is a woman's privilege to change her mind, and for a moment I would like to depart from my statement and react to comments that Secretary Lyng made.

In his first paragraph, he indicated that there was confusion. And I will agree, maybe there is. If there is something that we do not understand, we would surely like to, because as practitioners in the school food service field, we know what it costs to put a meal on the table, and we know that we cannot do it for 35 cents in any State in this Nation. So we think there is some confusion. And if there is a magic way in which we could serve lunches for 35 cents, meet minimum wages, price freezes, and all of these things, we would surely welcome some practical suggestions on how to do this.

I also notice that in the Secretary's comments, that we have had approximately a 10 percent increase in the number of lunches that were served last year; and hopefully we would have another 10 percent this year. And yet, the amount of money that is added to the appropriation is a mere \$78.8 million.

NEED \$180 MILLION TO SUSTAIN 35-CENT RATE

Now a bit of quick calculation while the Secretary was talking indicated to me that there would need to be \$180 million to sustain even the 35-cent rate of reimbursement. And we are already agreeing that that is not adequate.

Senator McGovern. Miss Martin, I wonder if I could interrupt you at this point, because I think you are really getting to the crux of the issue.

Last year when this matter was under debate on the Senate floor, Senator Hart and I cosponsored an effort to try to increase the funding of the program. We asked that the Section 4 funds be increased to \$535 million, and that Section 11 funds be increased to \$600 million.

Now at that time, the Department of Agriculture said that they did not need additional funds, that we could continue an expanded program and reach all the needy children without that large an appropriation.

Does that not indicate to you that this whole matter of the new regulations is really an effort to try to squeeze the program into a budget that is too small?

Miss MARTIN. It certainly appears to me that that is the situation, Senator. And I think that Mr. Lyng made the statement—and I do not want to misquote him—but I think he said that they had attempted to devise a way to divide the funds available on an equitable basis, and by attempting this, 30+5, appears to be their definition of an equitable basis.

But our contention is not with the 30 and the five. Our contention is that the money is not adequate to do the job that Congress has mandated, and not only that Congress has mandated, but the thing that is right for the children of this country.

There are several other comments that I would like to make.

We appreciate the fact that the regulations do make an attempt for adjustments to be made midyear, and the Secretary indicated that they would avoid the midyear funding uncertainties with these regulations.

FUNDING UNCERTAINTIES ARE NOW—NOT MIDYEAR

Our reaction to that proposal is that problems will begin in September. We will not have the uncertainties all year long; they begin right now. We do not have the money to do the job now.

Another reaction that I would like to make to the Secretary's statement—he indicated that the State directors did react rather violently last year to the 12-cent rule, and this is true. But the reason that we reacted violently to the 12-cent rule was that it mandated that we pay 12 cents from Section 4 funds for all lunches. We wished to be able to pay a lower rate for paid lunches and a higher rate for free lunches. But we were not permitted to do that because the regulations required that we pay the same rate from Section 4 for all lunches and that we pay 12 cents for all lunches from Section 4 funds before we could pay above 30 cents.

So our reaction to the 12-cent rule was in the interest of providing lunches to economically needy children and not paying higher rates for the paying children.

Senator McGOVERN. Well, now, Miss Martin, in that connection, you have said that you were told by the Department to implement higher eligibility standards. In other words, to broaden the scope and effectiveness of the program. Did those instructions carry any indication on how you were going to support such expanded standards?

Miss MARTIN. No, sir. The Secretary's income poverty guideline was released to us in June, I believe, or maybe even late May of this

year, and for that, we were very grateful, because local school people need the income poverty guideline earlier.

As the Secretary's income poverty guideline did increase the standard for free and reduced-price lunches, most States were quick to respond to this. They got this information out to the local school districts, assuming that there would be sufficient moneys forthcoming to finance the additional free and reduced-price lunches. And probably we acted too hastily because we advised our school people in Georgia that this announcement should be made 2 weeks before school started. Thus we could start serving lunches the day children came to school.

OTHER SOURCES WITHDREW FUNDS

But unfortunately, after that announcement came out, we had these proposed regulations, which have really created trauma, a dilemma: The publicity surrounding the appropriations for the child nutrition programs indicated that there would be more money available. And many States and local school districts that had previously been getting funds from Title I, OEO, model cities, et cetera, to help finance the School Food Service Program, suddenly found these moneys had been withdrawn and they did not have that help.

The only help they will have this year is the 35 or 36 or 37 cents in lower-per-capita-income States to finance the program.

Now, if I may go back to my testimony—and I am not going to read some of it since I have inserted these remarks—much progress has been made in school food service in the past decade. We feel that we have the legislative framework now to do the job that Congress, the public, and the President has mandated that we do.

And we are grateful to the Congress for the sound legislation for school food service programs. It provides a framework for the States and local school systems to achieve the task so beautifully stated by President Nixon in May 1970, "To put an end to hunger in America's schoolrooms." Although we did not quite achieve the President's goal of having a lunch for every eligible child by Thanksgiving Day, 1970, tremendous gains were made.

We have had tremendous support from the Food and Nutrition Service of the Department of Agriculture. Mr. Hekman and his staff have given us every assurance of their intent to implement the program. State and local school systems geared up to fulfill the commitment of Congress and the President's desire. Surely with the momentum established by May 1971, we would meet that Thanksgiving Day promise by November 1971.

But, alas, something has happened. The proposed regulations released August 13, 1971, could only mean regression. Because of the lateness of the regulations, most States and local school districts had their plans made by August 1 to continue the program in September that was in effect June 30.

But, this is not to be if the proposed regulations become effective. The amount of funds available per meal has been reduced from 42 cents to 35 cents; spending restrictions will prohibit expansion, and yet we are told to "implement higher eligibility standards"; transfer authority between programs has been eliminated.

This is the big problem in Kentucky, where they are not able to use the Section 32 money for breakfast.

USDA MANDATES IMPOSSIBLE CONDITIONS

We are all aware of the national economic crises, and the need to reduce Federal spending. Our question as educators and school food service personnel is, "How do we resolve this dilemma?" We are mandated by USDA regulations to provide lunches to all eligible children, and by the proposed regulations we are allowed 35 cents per meal with which to fulfill that commitment.

When the Secretary was speaking earlier about program expansion, he indicated that we would be able to expand as long as we did it within the framework of the apportionment to the States and the amount of money apportioned to the States will be 30+5. It would appear to me, then, if we had a school district that had a very high food cost and, say, they fed 500 children and their food cost was 60 cents, it would be possible under these regulations for a State to pay 60 cents per meal. But by the same token, we would have to pay zero rates to 500 children over in another school district in order to pay 60 cents to one school district.

The national average cost of producing a meal is around 50 cents.

The price freeze prohibits increases in sale prices to pick up any slack. These school administrators are perplexed.

The proposed regulations are being delivered at a time when local and State school boards are faced with mandates to reduce spending, when budgets are already approved for the 1972 school year, when Legislatures are not in session. The Congress has indicated its expectation of the States by including the State matching requirements in 91-248, and I believe that all States have conscientiously tried to meet the matching requirements of 91-248.

As I recall, during the hearings on 91-248, there was debate on the congressional floors indicating that Congress did not feel that if they were mandating free and reduced-price lunches to all economically needy children, that they could require States to pay part of the cost, and for that reason there were not matching requirements based on Section 11 funds; only the matching requirements which the Secretary referred to were placed on Section 4 funds.

USDA-ESTABLISHED BASE—UNREALISTIC

The proposed regulations provide for Section 32 funds to be used for Section 4 purposes in those States that earn less than 5 cents per meal by the formula provided in the National School Lunch Act. The regulations prohibit States with low-per-capita-income from receiving Section 32 funds for Section 4 purposes, that is until the earned apportionment has been paid at the rate of 5 cents per meal. USDA proposes to establish a base for paid meals and a base for free and reduced-price meals. States would have to exceed this base before Section 32 funds could be earned. States with high participation in 1970-71 would find it more difficult to reach the base and in many instances would never reach the base.

For example, in Georgia, we have been told that when we served approximately 150 million meals in 1970-71, it would be necessary to serve 193 million meals before we could qualify for any of the Section 32 money for Section 4 purposes.

This regulatory provision to use Section 32 funds for general cash for food assistance purposes will help States that have highest per capita income. During appropriations hearings, it was implied that the \$225 million requested by the administration was adequate to assure an average of 5 cents from Section 4 funds. This was done notwithstanding the fact that on March 9, 1970, authority was granted by USDA to the States to use Section 32 funds for Section 4 purposes in order to provide needed funds for certain school districts that would otherwise be unable to provide free lunches for their children; notwithstanding the fact that national participation figures were reflecting a sizable increase in meals served.

The March 9th authority was necessary in order that States could exceed the 30-cent limit for free lunches specified in the regulations. The regulations provided that when Section 4 rates were 12 cents per meal, we could pay above 30 cents, but not more than 48 cents from Section 11 funds for free and reduced lunches. Section 4 funds were allocated at the rate of 5 cents average nationwide.

The key to the authority was the recognition by USDA in March 1970 that Section 4 funds were insufficient to do the job. The State directors were on record with USDA as early as September 1970, asking that the 12-cent rule be rescinded, but no relief was given until March 1971. Even then regulations were written in such a way that the States were required to pay 12 cents for all meals from Section 4 before exceeding 30 cents from Section 11 for free lunches.

REGULATIONS INHIBIT PROGRAM GROWTH

If the authority eventually granted March 9 had existed September 1, 1970, I predict that at least twice as much Section 32 money would have been required for Section 4 purposes. I predict also that more needy children would have been fed earlier in the year. But just as the proposed regulations will inhibit the program growth in 1971-72, the regulations of 1970-71 prohibited growth.

As an example, our rate of reimbursement in Georgia for the month of September was only 32.3 cents per meal for free and reduced-price lunches. Our rate of reimbursement for free and reduced-price lunches in May was 42 cents. Once we had the authority and we had the assurance that moneys would be available, the States paid the 42 cents.

And I would hasten to add that before any rates of reimbursement are assigned, that a careful study is made of a school's financial status to assure that the money is going to schools that need this to serve children. And any time there is a school with a balance that indicates that it could even be slightly excessive, they are not given higher rates of reimbursement until they use their moneys. So I contend that if we had had the authority in early September, in early 1970, that the rates would have been much higher than the average rate.

For this reason, I would hope that the Department of Agriculture would base their average rates on April and May rather than the en-

ture school year, because the picture for the entire school year is distorted by the regulations that we had to live under last year.

One reason that States started out with low rates last year was that most States were unsure of the impact of the Secretary's income policy guidelines in participation. Although the guidelines were mandatory January 1, 1971, the peak month nationally for free and reduced meals was March. We did not reach our peak until April. Because of the age-old mandate to live within the budget and the restrictions relating to transfer, States established the rates early in the 1970-71 year that could be maintained within the allocation. A number of States are prohibited by State law from assigning rates that will require more money than allocated to the States.

I have gone back over the 1970-71 situation simply to place in proper perspective the Section 32 and Section 11 funds used for lunches last year, as USDA appears to have used this history in determining the levels for payment in the proposed regulations.

It would appear from the proposed regulations that only Section 4 and Section 11 funds would be apportioned to the States. The proposed regulations Sections 210.B(1) and D(1) prescribe that the States establish rates at a level that will permit reimbursement for the total number of meals to be served during the fiscal year within the apportionment to the States. This provision seems to be in conflict with 210.4(f), which prescribes the way that Section 32 moneys can be used. However, if this regulation is implemented as written, USDA would have no reason to use any Section 32 moneys as the States would only receive Section 4 and Section 11 funds and would be required to use the funds at a rate to cover all meals for the year. It would then appear that Congress has made funds available which may never be spent, and yet Congress has indicated by statutory provisions that children would be fed and that funds will be available.

INTENT IS TO LIMIT USE

The apparent intent of the proposed regulations is to limit the use of Section 32 funds to reimbursement for lunches as no provisions are made for transfer authority. Many States in 1970-71 used Section 32 funds for breakfast expansion as Section 32 was provided as a bloc grant to be used where needed in the individual States for expanding programs to eligible needy children.

According to Mr. Bevins, State director in Kentucky, more than 500 breakfast programs were established in Kentucky in 1970-71; more than \$1.5 million were transferred from the Section 32 "bloc grant" to support the program.

Mr. Bevins projects that the \$400,000 allocation from school breakfast funds will be exhausted by late September or—he said the first week of October. He said in your letter late September—and breakfast programs will be forced to close unless the transfer authority is written into the regulations.

States have been advised by USDA that the breakfast appropriations are adequate only to annualize the breakfast programs in operation in spring 1971.

We received a memorandum for USDA dated September 1, which states:

Any expansion of the breakfast program must be held to that which is possible within the States' apportionment of \$18.5 million. If a State can take on additional programs within its share of the \$18.5 million, it will be permissible to do so. It is planned to allocate additional funds out of the \$6.5 million, or the \$3 million, those States demonstrating the need for these funds to maintain their program at the April level.

Although Congress authorized \$38 million for nonfood assistance in 1971, the appropriation was only \$16 million. However, the transfer authority relating to Section 32 funds made it possible for States to provide facilities and to update facilities to meet the needs of a rapidly expanding food program. Most facilities throughout this country were designed for 40 to 50 percent participation, and Public Law 91-248 helped participation to reach new peaks of 95 and even 100 percent in many schools throughout the United States. To meet the demands in Georgia of the reorganized schools, local districts will need \$1 million a year for several years to update facilities. The allocation for nonfood assistance is less than \$400,000.

The provision for using Section 32 funds in the States with the highest per capita income places a tremendous responsibility even on the wealthier States. They may gain a penny or a penny and a half more under this provision, but their food production costs, their meal production costs are among the highest in the country. So the deficit in those State will still be very large.

USDA'S PREROGATIVE DOUBTED

We seriously wonder if it is within the prerogative of USDA to implement a regulation that would have the net effect of circumventing the formula for allocating the Section 4 funds—which is prescribed in the National School Lunch Act. Restrictive criteria in the proposed regulations make it almost impossible for schools to receive more than 35 to 38 cents per meal regardless of cost. The requirements specify as criteria for qualifying for more than 35 cents per meal. These are spelled out.

One of the criteria in the regulations say that a school must have a higher production cost than typical in the State.

Now I ask, if the production costs for 99 percent of the schools is 45 cents, and 1 percent is 50 cents, then 99 percent of the schools within the State would qualify for only 35 cents, which leaves a 10-cent deficit. Good business management would dictate that a school should not use its entire reserve, and yet one of the requirements for qualifying for a higher-than-30-cent rate of reimbursement indicates that a school must have plans to use its entire balance during that school year, and we do not think this is sound business, to recommend that schools end up the year with a zero balance.

I wish to share with you the monetary losses projected in various States and school system as a result of the proposed spending formula.

Chatham County, Ga., would receive \$79,000 less; East St. Louis in Illinois, \$140,000 less; the State of Oklahoma, \$875,000 less; Dade County, Fla., \$582,880 less; Jefferson County, Ky., \$423,000 less.

The projected State loss in Florida is \$3.4 million. In Georgia the loss is projected between \$3 and \$4 million.

Oklahoma reports its meal costs at 41.8 cents per meal, which will result in a loss of 6.8 cents for each meal served.

The net loss in Georgia will be 7.4 cents per meal. It would be higher than that, but we do have some State money which brings our loss down to 7.4 cents.

HOW MANY CAN PROVIDE 35-CENT LUNCH?

With the restrictive payment provisions, we seriously question how schools without facilities will finance purchase of complete meals when they exceed 35 cents. And yet the administration has been extremely anxious to have the private sector involved in school food services. I am wondering how many members of private industry will be able to provide a lunch for 35 cents.

In our judgment, school food service programs in all States will be adversely affected by the regulations. Even though the wealthier States will be guaranteed more funds than ever before, those funds are not adequate as the production costs are higher.

We did not have the regulations, as has been indicated, when the State directors met in Minneapolis. Therefore, the American School Food Service Association called together an ad hoc committee of State directors, major-city directors, and consultants, to analyze the regulations, to determine their impact on the school food service programs across the nation. You have received a copy of the suggestions from that committee, so I shall not take time to read the specific recommendations, but they are entered and included as a part of my statement.

Now in closing, I would like to, I guess, philosophize a wee bit.

At the dawn of a new school year, the proposed regulations have replaced hope with confusion, optimism with pessimism, direction with indirection. But we cannot afford the luxury of a setback; we must move forward to our goal of putting an end to hunger in America's schoolrooms.

And it is in this spirit that I testify today. The Congress, the President, the United States Department of Agriculture have made commitments, and USDA out faced with the need to establish priorities in the face of the economic crises, has proposed certain regulations that would result in dollar savings and children's losses. We, therefore, earnestly request of the Congress of the United States that you ask USDA to withhold the proposed regulations and permit the States to continue operating child nutrition programs under existing regulations until more realistic regulations can be drafted. We ask that adequate funds be provided to permit the schools to fulfill the mandate.

School administrators and educators are concerned over the economic crises and would welcome realistic regulations with management controls to protect the integrity of the funds and to assure implementation of the provisions of Public Law 91-248.

ALWAYS THE CHILD FIRST

The theme of the American School Food Service Association is "Always the child first." Will you use your influence to establish pri-

criticisms on spending that reflect this theme, "Always the child first"?

In behalf of the American School Food Service Association, I wish to thank you for this opportunity to appear before the Senate Select Committee on Nutrition and Human Needs.

(The prepared statement follows:)

PREPARED STATEMENT OF JOSEPHINE MARTIN

Mr. Chairman, and members of the committee, my name is Josephine Martin, I am Administrator of the School Food Service Program, Georgia Department of Education and I am Chairman of the Legislative Committee of American School Food Service Association. Today I represent the American School Food Service Association, an organization of 50,000 professional school food service people; an organization dedicated to the concept of lunches for all children; an organization that perceived Public Law 91-248 as a mandate from the President and from Congress to provide lunches to all needy children in America's schools.

Since Public Law 91-248 was signed by the President in May 1970, we have worked diligently to fulfill that mandate, but we now face a crisis—a crisis developed by the USDA's proposed regulations for administering school lunch programs. The regulations are restrictive, provide inadequate funds, and are not clear.

In my judgment this is the most serious crisis faced by school lunch since the passage of the Act in 1946. The regulations if implemented will negate much of the progress made in the last 25 years. On Tuesday of last week, principals in one South Georgia county were saying, "We will have to close our lunchrooms; we cannot operate on the limited funds" and yet these are the principals along with hundreds of others with the same sentiment that brought lunches to children for the first time in the sixties.

Much progress was made in school food service in the past decade. In the late 50's when Martin Garber was administrator of the USDA Agency that administered school lunch programs, a new image began to appear. School lunch began to move out of education's basement. President Kennedy's first Executive Order included hope for child feeding programs and this inspired a new interest in lunches to the needy children. The National School Lunch Act was revised in 1962.

Much rhetoric was necessary before drastic changes could occur. The ESEA Act of the mid-sixties permitted funds to be used for free lunches and for the first time teachers and school administrators had a chance to see a miracle—a miracle at school because of food. Why, they said, "Food brought children to school and kept them in school and helped them to learn better."

The story quickly expands; the Child Nutrition Act of 1966 was passed which established the breakfast program and placed the special school milk program on a permanent basis. It authorized assistance to help schools with large numbers of poor children to purchase needed equipment.

And finally PL 91-248 (Amendments to National School Lunch Act and Child Nutrition Act) was passed. The Congress indicated by this law that lunch should be the right of every eligible child and furthermore authorized the Secretary of Agriculture to establish eligibility standards (Income Poverty Guidelines).

To finance this major commitment, PL 91-248 contained an open-end funding provision and also permission for states to pay the full cost of the meal (within a reasonable limit). Restrictive provisions of the regulations were removed and thus it became possible for school systems which previously had no delivery system to utilize private industry to deliver food to children.

The Congress, again expressed a commitment to finance the program by authorizing use of Section 32 funds for breakfast, lunch, equipment, as states had varying needs.

The Congress through PL 92-32 passed in June, 1971, reemphasized its commitment for breakfast by extending the program for two years, and for lunches and breakfast by authorizing the Secretary to use up to \$100,000,000 additional Section 32 dollars in fiscal year 1972 for lunch and breakfast. Congress further authorized the payment of 100% of breakfast costs.

Mr. Chairmen, we are humbly grateful for the sound legislation for school food service programs. It provides a framework for the states and local school systems to achieve the task so beautifully stated by President Nixon in May, 1970, "to put an end to hunger in America's school rooms." Although, we did

not quite achieve the President's goal of having a lunch for every eligible child by Thanksgiving Day, 1970 tremendous gains were made.

The Food and Nutrition Service was organized in the United States Department of Agriculture and staffing began that would provide leadership to implement the provisions of the law. Mr. Edward Hekman and his staff gave every assurance of intent to implement the program. State and local school systems geared up to fulfill the commitment of Congress and the President's desire. Surely with the momentum established by May, 1971, we would meet that Thanksgiving Day promise by November, 1971.

But, alas, something happened! Proposed USDA regulations released August 13, 1971 could only mean regression. Because of the lateness of the regulations, most states and local school districts had their plans made by August 1 to continue the program in September that was in effect June 30.

But, this is not to be if the proposed regulations become effective. The amount of funds available per meal has been reduced from 42 cents to 35 cents; spending restrictions will prohibit expansion, and yet we are told to "implement higher eligibility standards;" transfer authority between programs has been eliminated.

We are all aware of the national economic crises, and the need to reduce federal spending. Our question as educators and school food service personnel is "How do we resolve this dilemma?" We are mandated by USDA regulations (as they reflect congressional intent) to provide lunches to all eligible children, and by the proposed regulations we are allowed 35 cents per meal with which to fulfill that requirement. The national average cost of producing a meal is around 50 cents.

The price freeze prohibits increases in sale prices to pick up any slack. The school administrators are perplexed.

The proposed regulations are being delivered at a time when local and state school boards are faced with mandates to reduce spending, when budgets are already approved for the 1972 fiscal year, when legislatures are not in session. The Congress indicated its expectation of states by including the state matching requirements in PL 91-248, and I believe that all states have conscientiously tried to meet the matching requirements of PL 91-248.

The proposed regulations provide for Section 32 funds to be used for Section 4 purposes in those states that earn less than 5 cents per meal by the formula provided in the National School Lunch Act. The regulations prohibit states with low per capita income from receiving Section 32 funds for Section 4 purposes, that is until the earned apportionment has been paid at the rate of 5 cents per meal. USDA proposes to establish a base for paid meals and a base for free and reduced price meals. States would have to exceed the bases before Section 32 funds could be earned. States with high participation in 1970-71 would find it more difficult to reach the base and in many instances would never reach the base.

This regulatory provision to use Section 32 funds for general cash for food assistance purposes will help states that have highest per capita income. During appropriations hearings, it was implied that the \$225 million was adequate to assure an average of 5 cents. This was done notwithstanding the fact that on March 9, 1970 authority was granted by USDA to states to use Section 32 funds for Section 4 purposes in order to provide needed funds for certain school districts that would otherwise be unable to provide free lunches for their children; notwithstanding the fact that national participation figures were reflecting a sizeable increase in meals served.

The March 9 authority was necessary in order that states could exceed the 30 cents limit for free lunches specified in the regulations. The regulations provided that when Section 4 rates were 12 cents per meal, states could pay above 30 cents but not more than 48 cents from Section 11 funds for free and reduced lunches. Section 4 funds were allocated at a rate of 5 cents average nationwide.

The key to this authority was the recognition by USDA that Section 4 funds were insufficient to do the job. The state directors were on record with USDA as early as September, 1970 asking that the 12 cent rule be rescinded, but no relief was given until March, 1971. Even then, regulations were written in such a way that states were required to pay 12 cents for all meals from Section 4 before exceeding 30 cents from Section 11 for free lunches.

If the authority eventually granted March 9 had existed September 1, 1970, I predict that at least twice as much Section 32 money would have been required for Section 4 purposes. I predict that also more needy children would have been

fed earlier in the year. Just as the proposed regulations will inhibit program growth in 1971-72, the regulations of 1970-71 prohibited growth.

Therefore, the fund usage in 1970-71 was greatly distorted by the restrictions of the regulations and the lateness of firm allocations. Most states were unsure of the impact of the Secretary's Income Poverty Guidelines on participation. Although the guidelines were mandatory January 1, 1971, the peak month nationally for free and reduced meals was March. Georgia did not reach its peak for free and reduced lunches until April. Because of the age old mandate to live within the budget, and the restrictions relating to transfer, states established rates early in the 1970-71 year that could be maintained within the allocation. A number of states are prohibited by state law from assigning rates that will require more money than allocated to the state.

Another factor in the South that distorted funds needed in 1970-71 was the widespread use of funds from Title I, Model Cities, and OEO for free lunches. These funds were budgeted because of the uncertainty of USDA funds. Most of these funds have now been withdrawn. In 1971, Title I funds were budgeted in many Georgia schools to pay the difference between reimbursement (36¢) and meal cost (42¢) consequently, those schools did not reflect the fund problem.

The 1970-71 situation is recalled simply to place in proper perspective the Section 32 and Section 11 funds used for lunches, as USDA appears to have used the 1970-71 history in determining levels for payment in the proposed regulations.

It would appear from the proposed regulations that only Section 4 and Section 11 funds would be apportioned to the states. The proposed regulations sections 210.b(1) and d(1) prescribe that the states establish rates at a level that will permit reimbursement for the total number of meals to be served during the fiscal year within the apportionment to the state. This provision seems to be in conflict with 210.4(f); however, if it is implemented as written USDA would have no reason to use any Section 32 funds, as the states would only receive Section 4 and Section 11 funds and would be required to use the funds at a rate to cover all meals for the year. It would then appear that Congress has made funds available which will never be spent and yet Congress has indicated by statutory provisions that children would be fed and funds would be available.

The apparent intent of the proposed regulations is to limit the use of Section 32 funds to reimbursement for lunches, as no provisions are made for transfer authority. Many states in 1970-71 used Section 32 funds for breakfast expansion as Section 32 was provided as a bloc grant to be used where needed in the individual states for expanding food programs to eligible needy children. According to C. E. Bevins, State Director in Kentucky, more than 500 breakfast programs were established in Kentucky in 1970-71; more than one and one-half million dollars were transferred from the Section 32 "bloc grant" to support the program. Mr. Bevins projects that the \$400,000 allocation (1971-72) from school breakfast funds will be exhausted by late-September, and breakfast programs will be forced to close unless the transfer authority is restored. States have been advised by USDA that the breakfast appropriations is adequate only to annualize the breakfast programs in operation in Spring, 1971. USDA memo states the annual breakfast apportionment to states is based on \$18.5 million as \$5.5 million of the appropriation is being held in Washington.

Although Congress authorized \$38 million for non-food assistance in 1971 fiscal year, the appropriation was only \$16 million. However, the transfer authority relating to Section 32 funds made it possible for states to provide facilities and to up-date facilities to meet the needs of a rapidly expanding food program. Most existing facilities were designed for 40-50 per cent participation and PL 91-248 helped participation to reach new peaks of 95-100 per cent in many schools throughout the United States. To meet the demands in Georgia of the reorganized schools, local districts will need one million dollars for several years to up-date facilities. The allocation for non-food assistance is less than \$400,000.

Section 210.4 of the regulations has provided for Section 32 funds to help states with the greatest wealth. Since 1946 the National School Lunch Act has contained a formula for apportioning Section 4 funds based on number of children participating and per capita income. The proposed regulations in my opinion fail to give consideration to the need rate of the states that has heretofore been calculated but rather fixes it at 5 cents. We would agree that all states need 5 cents and more, but that same logic would indicate the poorer states with less local money available need to maintain their allocation based on need. Assuring

14 states of 5 cents per meal means that the poorer states will have to stretch existing Section 4 dollars over *all* increases.

We seriously wonder if it is within the prerogative of USDA to implement a regulation that would have the net effect of circumventing the formula prescribed in the Act.

Restrictive criteria makes it almost impossible for schools to receive more than 35-58 cents per meal regardless of cost. The requirements specify as criteria for qualifying for more than 35 cents per meal.

1. Cost must be higher than typical in the state.
2. All other remedies have been exhausted.
3. That reserves have been exhausted.

If the production cost for 99 per cent of the schools is 45 cents and one per cent is 50 cents, the 99 per cent could qualify for only 35 cents which leaves a 10 cents deficit. Good business management would dictate that a school should not use its entire reserve, but should have at least one month's reserve to begin a new school year.

Such restrictions with large numbers of needy pupils can only spell program curtailment.

I wish to share with you the monetary losses projected in various states and school system as a result of the proposed spending formula. The projections are based on a comparison of payments actually made in 1970-71 and payments that would have been made had this 35 cents formula been in effect.

System	State	Number free and reduced	Difference
Chatham County.....	Georgia.....	1,452,571	-\$79,086.55
East St. Louis.....	Illinois.....	2,000,000	-140,000.00
	Oklahoma.....	12,892,752	-875,417.00
Dade County (Miami).....	Florida.....	5,555,455	-582,880.00
Jefferson County.....	Kentucky.....		-423,000.00
Knott County.....	do.....		¹ -18,000.00

¹ See addendum No. 1, p. 1793, this hearing.

Projected state loss in Florida is \$3,436,000 and in Georgia the loss is projected at three to four million dollars. Oklahoma reports its meal cost at 41.79 cents which will result in a loss of 6.79 cents for each meal served. The net loss per meal in Georgia will be 7.4 cents per meal.

With the restrictive payment provisions we seriously question how schools without facilities will finance purchase of complete meals when they exceed 35 cents. The only answer is local support.

In our judgment, school food service programs in all states will be adversely affected by the regulations. Even though the wealthier states will be guaranteed more funds than ever before, those funds are not adequate as the production costs are higher.

The specific recommendations and comments of American School Food Service Association relating to proposed regulations are included as a part of my testimony. The proposals were prepared by an Ad Hoc Committee composed of State Food Service Directors and Food Service Directors of large cities.

COMMENTS AND SUGGESTIONS

1. Section 210.4, new paragraph (f): A sum of \$4,552,200 from Section 32 funds is received for the states of Puerto Rico, the Virgin Islands, Guam and American Samoa. Such funds are available to these states for special cash assistance. We do not question the need of these states for the amount so reserved, but we do raise a question on why there is no similar reserve from Section 32 funds earmarked for the other states.

2. Section 210.4, new paragraph (f): (a) We object to the establishment of a "base" system to control the distribution of funds to the states. Such a system would be cumbersome, time consuming, and difficult to administer. Given the unavoidable time lag in school lunch reporting, it would seriously delay the receipt of additional funds by the states in the latter part of the school year and even further complicate the financial problems encountered by local school districts last year due to late receipt of federal funds. (b) We agree in principle with the use of Section 32 funds for use as general

cash assistance as indicated in the proposals. However, we believe that all states should share in these funds on an equitable basis taking into consideration the need of the individual state as measured by per capita income. To do otherwise would be inconsistent with congressional intent as specified in the National School Lunch Act which provides a formula for the distribution of general-for-food assistance funds and would be further inconsistent with Section 210.4 of the present regulations. The proposed regulations as outlined will be detrimental to the states with low per capita income and the states that have been successful in providing lunches to a high percentage of children. It is estimated that 37 states will be seriously handicapped should this regulation become effective. We recommend that all states receive from Section 4 and/or Section 32 a sufficient apportionment to guarantee a minimum rate of 5¢ per Type A lunch and where the state's assistance need rate is above 5¢, such states shall be guaranteed a rate per meal equal to the assistance need rate for that state as defined by USDA.

(c) We object to the use of a base and the 30 cents maximum to control the use of Section 32 special assistance funds and we recommend that each state's apportionment from Section 11 and 32 funds guarantee a rate of 40¢ for each free and reduced price meal served to eligible children.

3. Section 210.5, new paragraph (c): See our comments in 2(a) above on the use of a base system to control distribution of funds to the states. We recommend that Section 32 funds be initially allocated to states so that the total amount of Section 32 and Section 11 funds be equal to the amount of such funds expended by the states during the fiscal year 1971. Additional amounts would be paid to the states upon justification to assure an average rate of 40 cents per each free and reduced price meal.

4. Section 210.11, new paragraph (b-1): This amendment is appropriate.

5. Section 210.11, new paragraph (b-2): It is suggested that the base month to be used for determining needed adjustments in reimbursement rates be set as in the October with need adjustments made on January 1. A review of funds status after receipt of January claims leaves little time to make adjustments in rates prior to the end of the school year.

6. Section 210.11, paragraph (c) revised: We very strongly object to setting the maximum rate for special assistance at 30 cents, especially when it must be considered in conjunction with the "base" system so that the statewide average rate for special assistance cannot exceed 30 cents for the full year. The impact of this provision will seriously endanger continuance of free and reduced price lunches to children who qualify. Many school districts would receive substantially less special assistance money this year as compared to last year. As one example, the city of Atlanta would suffer a loss of \$238,000. Similar data is being developed for other areas and will be forwarded to you. We recommend the maximum rate be set at 40 cents as recommended by the Ad Hoc Committee of State and Major City Directors in March 31-April 2, 1971.

7. Section 210.11, paragraph (d) revised: Specify 40¢ in lieu of 30¢ on line 2. Delete the remainder of sentence after the word "that" and add "in lieu of." The school is financially unable to meet its need for free and reduced price lunches.

This subsection sets up three criteria to be used in justifying rates of special assistance above 30 cents. The first appears to mean that a higher rate is justified when production costs (labor, food, etc.) are "higher than is typical" in a given area. This is appropriate but does not accord special consideration to schools which have a large number or high percentage of free lunches and would suffer heavy losses in financing such lunches at the 30 cents maximum. We therefore recommend that the following words be inserted at the end of the first of these criteria: "Or the percentage or absolute number of free or reduced price lunches is higher than is typical in the state."

With respect to the second criteria we recommend the words "necessary operating" be inserted before the word balance and on the same line insert "as specified in Section 210.15" after the word "hand."

With respect to criteria three, after the word cost, delete "cannot be eliminated by other remedial action" and substitute "is not the result of poor management practices."

We would further recommend the sentence beginning with upon (line) be deleted and the following sentence be substituted—"Upon such a finding, the State Agency, or FNSRO where applicable, may assign a rate of reimbursement from special cash assistance and general cash assistance funds not to exceed 60¢ for each free and reduced price lunch served. Such rate should be reviewed and adjusted annually in accordance with cost of living changes." The rest of the paragraph deleted down to "the State Agency—et cetera."

8. Section 210.11, new paragraph (d-1): This section must be clarified. Since it appears to mean the only funds proposed to be apportioned to State Agency at the beginning of the year will be the Section 11 funds: and consequently, rates would have to be assigned on basis of Section 11 funds only. We re-emphasize our recommendations for allocation of Section 32 funds to all states at the beginning of the year.

9. Section 210.11, new paragraph (d-2): We recommend here also that the month of October be used in place of January.

Effective date: Section 210.19(b) states that no change in the requirements for lunches which "decreases the maximum rates of reimbursement shall become effective less than 60 days after publication thereof." Since the proposed amendments to 210.11 does in effect reduce the maximum rate of reimbursement for free and reduced-price lunches, we raise a serious question that such amendments can be made effective September 1, 1971. We further protest the issuance of important new regulations without providing sufficient lead time to State Agencies and local school districts so that major changes of this nature can be put into effect in an orderly and efficient manner.

10. Section 210.11 paragraph (g) amended: No comments.

11. Section 210.14(a): We recommend that after the first sentence of 210.14(a) the following sentence be inserted: "USDA shall specify minimum staffing levels for each educational agency which would include skill and experience necessary for effective administration."

12. Section 220.16, paragraph (b) revised: We see no basis in the law or in fact for restricting the availability of equipment funds for schools already participating in the school lunch or breakfast program. To delay the approval of funds needed for equipment to serve additional needy children either lunch or breakfast until March 1 simply postpones this operation until the following fiscal year.

We therefore recommend that this amendment be deleted. We note the following objections: (a) The term "grossly inadequate" is vague, (b) this section requiring Washington's approval for expenditure of funds which is inappropriate and inconsistent with congressional intent and the state autonomy, (c) the section requires the state to work with individual schools rather than school food authorities. We further recommend that this sub-section be amended to require that equipment funds apportioned under the formula for the basis of the number of children in schools without food service be restricted to use in such schools, they shall be returned to USDA for reapportionment to other states in need for such funds.

At the dawn of a new school year, the proposed regulations have replaced hope with confusion, optimism with pessimism, direction with indirection! But we cannot afford the luxury of a set-back; we must move forward to our goal of putting an end to hunger in America's school rooms.

And it is in this spirit that I testify today. The Congress, the President, the USDA have made commitments, and USDA faced with the need to establish priorities in the face of the economic crises, has proposed certain regulations that would result in dollar savings and children's losses. We therefore, earnestly request of you, that you ask USDA to withhold the proposed regulations and permit the states to continue operating Child Nutrition Programs under existing regulations until more realistic regulations can be drafted. We ask that adequate funds be provided to permit the schools to fulfill the mandate.

School administrators and educators are concerned over the economic crises and would welcome realistic regulations with management controls to protect the integrity of the funds and to assure implementation of the provisions of Public Law 91-248.

The theme of American School Food Service Association is "Always The Child First." Will you use your influence to establish priorities on spending that reflect this theme, "Always The Child First."

Thank you for this opportunity to appear before the Senate Select Committee on Nutrition and Human Needs.

ADDENDUM No. 1

FROM ALLEN A. ELLIOT, SCHOOL FOOD SERVICE PROGRAM ADMINISTRATOR,
NEBRASKA

We have estimated the Omaha City Schools may lose nearly \$450,000 of reimbursement due to the new USDA restrictions. If the price continues, they will lose another estimated half million dollars from the sale of lunches. They have also had to cancel consideration for opening two new lunch programs in low income schools. Other areas of Nebraska are being affected accordingly.

FROM SEPTEMBER ISSUE, CONNECTICUT SCHOOL FOOD SERVICE NEWSLETTER

Unless decisions are reversed before school opens, three school systems have cancelled the school lunch program for the coming year.
(Note: The three school systems have 24,000 students—all closed because of deficits.)

FROM MRS. ZELA FOX, PENNSYLVANIA DIRECTOR OF SCHOOL FUND SERVICE

Philadelphia would have received \$209,162.00 less in 1970-71 under the proposed spending formula. The average cost of a meal in Philadelphia is 57 cents. We expect the loss in Philadelphia in 1971-72 to be around \$5 million as we will lose 22 cents on each of the 23.5 million lunches.

FROM MRS. THELMA FLANAGAN, DIRECTOR OF SCHOOL FOOD SERVICE, FLORIDA

The allocation of breakfast funds to Florida is \$40,000 less than last year. County school systems are projecting a need of one-half million dollars more; this means that we will lack \$256,000 just to keep the 1970-71 program going.

Senator McGovern. Thank you very much, Miss Martin. I do want to commend you on another excellent statement before this committee.

I must say, in all due respect to Secretary Lyng, I do not think you are confused at all about these regulations. I think your understanding is all too accurate of what they mean.

I just want to ask you one question, just to make sure we understand the rest of your statement.

Do you believe that it is possible to carry out the mandate of the Congress, to provide a free or reduced-priced lunch to every needy child, if these regulations are permitted to stand?

REGULATIONS PROHIBIT CARRYING OUT MANDATE

Miss Martin. I do not believe that we can possibly carry out the mandate under these regulations.

Senator McGovern. I think the recommendation you made at the end of your statement, that the regulations be delayed, is in order. It is a request I have already made to the Secretary of Agriculture. And his reply was that they would be held up until at least today, until this hearing could be evaluated. But I am very hopeful that the regulations will be called off.

Senator Hart?

Senator HART. I just would like to thank Miss Martin for a very effective presentation. Senator Talmadge is a member of this committee and very sympathetic with the objective of reaching that target of feeding hungry American children. I know he would want me to express his appreciation to you.

Miss MARTIN. Thank you. I had the privilege of chatting with Senator Talmadge last Wednesday in Atlanta, about this problem.

Senator McGOVERN. Senator Cook?

Senator COOK. Thank you, Mr. Chairman.

Miss Martin, in effect, what you are saying is that you have had no encouragement out of the Secretary's remarks before this committee at all, in relation to the formula or the latitude of the formula that he expected?

Miss MARTIN. That is correct.

Senator COOK. And you share the same concern that I share: That conceivably we may, for one of the few times, see a regulatory procedure which would prohibit the utilization of supplemental funds by reason of really regulating them out of utilization?

Miss MARTIN. Yes, sir. As I read the regulations, I think there is an ambiguity there, that if one so chose to use it, that they could write supplemental funds out of utilization.

Senator COOK. Thank you, Miss Martin.

Thank you, Mr. Chairman.

Senator McGOVERN. Thank you very much.

The Select Committee is in recess, subject to the call of the Chair.

(Whereupon, at 12:15 p.m., the Select Committee was recessed, to reconvene at the call of the Chair.)

APPENDIXES

Appendix 1

COMMUNICATIONS TO THE CHAIRMAN

CALIFORNIA

HEALDSBURG SCHOOLS,
ADMINISTRATIVE OFFICES,
Healdsburg, Calif., August 11, 1971.

HON. GEORGE MCGOVERN,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR MR. MCGOVERN: I am writing to solicit your assistance on a matter of great importance to the Healdsburg School Districts, and to many other districts in California.

The Department of Agriculture has changed the regulations for providing reduced price lunches to pupils in the elementary and secondary schools in a way that is very detrimental to the lunch program, and that will cause a great many problems in its administration.

In the past the regulations provided for allowing a blanket reduction in the school lunch price if a preponderance of the students qualified for such a reduction. By taking advantage of this possibility, we were able to feed 150% more of our students in the hot lunch program than we had previously. However, this year we are informed that we may not establish a reduced price for all students, unless 100% of the students in the district qualify for such a reduction. Since approximately 80% of our students do qualify for such a reduction, we will have to process all of the applications individually, which is going to require a great deal of time.

It is also going to reduce the number of children who will receive hot lunches, because many parents will not apply who do qualify because they will have to provide family financial information. It will cause resentment on the part of borderline parents who may be denied services.

The Healdsburg area is one of extreme economic depression, with an unemployment rate in excess of 15%. We need all of the help that is available.

Since the hot lunch program has been of such great benefit to our students, can we enlist your assistance in requesting the Department of Agriculture to rescind the new regulation and restore the capability of providing an across-the-board reduction in lunch prices for students in poverty level districts.

Healdsburg has a 30% Mexican-American minority, 28% of our students are on AFDC rolls, we have 10% of our students in foster homes, and many other low income families not included in those above. These people do not understand what appears to them to be capricious bureaucratic changes in regulations. They blame the local school administrator when things of this nature occur. Please help us to help them.

Sincerely yours,

JOHN S. KATELEY,
Assistant Superintendent.

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DEPARTMENT OF EDUCATION,
Sacramento, September 1, 1971.

Mr. EDWARD J. HEKMAN,
Administrator, Food and Nutrition Service,
U.S. Department of Agriculture, Washington, D.C.

DEAR Mr. HEKMAN: My letter of August 23 regarding proposed amendments to National School Lunch Program regulations should be amended as follows:

I support the principle of guaranteed minimum average rates of reimbursement included in Section 210.4(f). However, the minimum rates are far too low. In order to really expand the National School Lunch Program and to reach more needy children, an average minimum rate of .12 should be established for Section 4 funds and an average minimum rate of .40 should be established for Section 11 funds. To provide less reimbursement means that local school districts must provide from .10 to .15 per lunch for free lunches served to needy pupils and many districts simply cannot fund this cost.

Sincerely,

JAMES M. HEMPHILL,
Chief, Bureau of Food Services.

AUGUST 23, 1971.

Mr. EDWARD J. HEKMAN,
Administrator, Food and Nutrition Service,
U.S. Department of Agriculture, Washington, D.C.

DEAR Mr. HEKMAN: Dr. Riles has asked me to comment regarding the proposed amendments to the National School Lunch Program regulations.

210.4(f)

I understand this section to mean that the Section 4 funds are initially apportioned to each state, divided by .05, will establish a participation base. Lunches served in addition to this base will be reimbursed at .05 each from Section 32 funds. The same principle will be applied to free and reduced price lunches at a .30 rate.

This procedure is great and will allow states to expand programs with the assurance that funds at .05 and .30 rates are guaranteed. It will also enable the Department of Agriculture to control Section 32 funds and to allocate them on the basis of demonstrated need.

210.11(b-1)

I understand this section to mean that states shall estimate total participation for 1971-72 and then establish a Section 4 rate based on the initial allocation of Section 4 funds. *This procedure would be disastrous* and clearly is in conflict with Section 210.4(f). If a state anticipated doubling participation in 1971-72 it might have to establish a rate of .02 per lunch. Such a rate established at the beginning of the school year not only would prohibit program expansion but would cause many schools to drop out of the National School Lunch Program. I repeat that this procedure would be *disastrous*.

In my opinion Section 210.11(b-1) is unnecessary because Section 210.4(f) already limits average reimbursement to .05 under Section 4 funds and to .30 under Section 11 funds. If Section 210.11(b-1) remains, it should be clearly qualified to establish average rates of .05 and .30 per lunch.

210.11(d)

This section is far too complicated. I do not see how a state agency can authorize special assistance beyond .30 per lunch with all these conditions and restrictions. I believe that discretion should be left entirely to the state agency for determining need of special assistance reimbursement beyond .30 per lunch. The state agency will have to balance increases beyond .30 with decreases below .30 in order to stay within funding sources at an average rate of .30 per lunch.

210.4(f)

I strongly recommend that the same procedures outlined in Section 210.4(f) be applied to the Breakfast Program, with an average rate of .15 per breakfast. Without this provision state agencies cannot be exposed to expand the breakfast program. On the basis of May's participation at a rate of .15 per breakfast, we project a need for 1971-72 breakfast Program funds in an amount of \$1,592,000. Unless we are guaranteed this funding we cannot approve new breakfast pro-

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grams and will have to terminate existing programs at about the middle of the school year.

210.11(d-1)

The same comments regarding Section 210.11 (b-1) apply to this section. It, too, would be *disastrous*.

In summary, Section 210.4(f) is innovative and an excellent approach to program expansion. It should also be applied to the Breakfast Program. Sections 210.11(b-1) and (d-1) are restrictive and actually regressive. Their application will result in a curtailment of the National School Lunch Program and of the furnishing of free and reduced price lunches to needy pupils.

Sincerely,

JAMES M. HEMPHILL,
Chief, Bureau of Food Services.

SACRAMENTO, CALIF., September 4, 1971.

Senator George McGovern,
Chairman, Senate Nutrition Committee,
U.S. Senate, Washington, D.C.

We are appealing for fuller funding of the special assistance provision of the National School Lunch program for needy children. The Sacramento city unified school district, one district of many in this county, is facing this situation: less than two weeks before the start of school and after adoption of the district budget, policy changes in the NSLP were announced, resulting in an anticipated loss of \$28,000 in federal and state funding. If the district cannot cover this amount, the program for needy children may have to be curtailed. We urge all possible action to restore funds.

MRS. A. J. KRISIK,
Chairman, Sacramento Feeding Project Committee.

COLORADO

AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

AUGUST 25, 1971.

Hon. GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs, Washington, D.C.

Dear SENATOR MCGOVERN: We wish to call your attention to the impossible situation which will be created with the implementation of the proposed regulations for Child Nutrition Programs, Nonfood Assistance Program Funds and Eligibility Determination for Free and Reduced Price Lunches published Friday, 13, 1971 in the Federal Register. These regulations will indeed be a step backwards in the Child Nutrition Programs in America.

The State Directors of School Food Service, at their post-convention meeting in Minneapolis, adopted unanimously the enclosed Position Paper. This Position Paper was based upon the presentation made by Assistant Secretary Richard Lyng at the Annual Meeting of the American School Food Service Association, August 4, 1971:

An Ad Hoc committee composed of State Directors, Major City Directors and representatives from the American School Food Service Association met on August 18 to analyze the published regulations. A copy of the analysis sent to Mr. Herbert Rorex, Director, Child Nutrition Division, FNA, USDA is also attached.

If the Child Nutrition Programs are to grow, or for that matter continue, at the present rate, the financial restriction the proposed regulations will impose upon the States must not be permitted.

Your continued support and cooperation in the growth of the Child Nutrition Programs will be appreciated by the hungry children in America's schools.

Sincerely,

DR. JOHN PERRYMAN.

POSITION PAPER ON THE CHILD NUTRITION PROGRAM OUTLOOK
FOR 1971-72

ADOPTED UNANIMOUSLY BY THE STATE DIRECTORS ON SATURDAY, AUGUST 7, 1971,
AT THE POST-CONVENTION MEETING FOLLOWING THE 25TH ANNUAL MEETING OF
THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

The State School Food Service Directors, a section of the American School Food Service Association, in a post-convention session in Minneapolis, Minnesota, August 7, 1971 wish to state its position concerning the Child Nutrition program outlook for 1971-72 as presented by Secretary Richard Lyng, Administrator Edward Hekman and other officials during the 1971 annual convention.

The frame of reference for this position includes the following official pronouncements:

1. President Richard M. Nixon in December 1969 indicated his intent, which was reiterated May 14, 1970 at the signing of PL 91-248 to put an end to hunger among American school children, and

2. The Congress of the United States has pronounced that it also intended to put an end to hunger in America and which is noted in Section 9 of NSLA as amended by PL 91-248 which states "any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost", as well as in Section 11 (a) which provides authorization for "appropriation as may be necessary" to assure access to the school lunch program under this Act by children of low-income families, and Section 11 (e) which provides that the amount of funds paid to a school shall be based on the need of the school for assistance in meeting the requirements concerning the service of lunches to children.

In light of these pronouncements the State Directors, on behalf of their respective state are committed to fulfill the President's mandate to develop food service programs that would put an end to hunger among America's School Children.

1. Schools will be forced to eliminate Child Nutrition Programs.
2. There will be further hardships to America's economy through unemployment and cut-back in consumption of raw resources such as food and equipment.
3. Absenteeism, drop-outs and apathetic students will negate the benefits of the multi-billion dollar investment for public and private schools.
4. Finally, and most important, there will continue to be hungry children in America's schools!!

AUGUST 19, 1971.

ACTION MEMORANDUM

To: State Directors.

From: Mr. Lawrence Bartlett, Chairman, State Directors Section. Miss Josephine Martin, Chairman, ASFSA Legislative Committee.

Subject: Proposed FNS Regulation Amendments.

An ad hoc committee representing State Directors, Major City Directors and the American School Food Service Association met in Atlanta for the purpose of analyzing the proposed amendments to the current regulations and preparing recommendations and comments.

The purpose of this analysis is (1) to provide bases for the attached letter to Mr. Herbert Rorex from your Section Chairman and Legislative Chairman and (2) to provide you with an analysis of the proposed amendments to the regulations as well as recommendations which would be helpful to you in preparing your letter to Mr. Rorex.

TIME is of greatest essence. Every State has a big stake and big responsibility in getting the proposed amendments to the regulations changed before final publication. Please make your wants known before the deadline, August 28, 1971.

Nothing short of mass effort on the part of the State Directors, Major City Directors, Chief State School Officers, State Legislative Chairmen and concerned citizens will stop this tide before AUGUST 28, 1971. All communications must be postmarked by this date.

Will you:

1. Write Mr. Rorex expressing your thinking on this regulation?

2. Discuss the proposed regulation amendments with your Chief State School Officer, asking his support and even requesting that he, too, write Mr. Rorex?
3. Promote letters from the above named groups to Mr. Rorex?
4. Send copies of your letter to Mr. Rorex to your Senators and Congressmen?
5. Compare the total reimbursement you received in FY 71 with what you might have received with a 5¢ reimbursement for all meals and 30¢ reimbursement for free/reduced cost meals for your state or selected large districts and include this information in your letter to Mr. Rorex? (A copy of such comparison in Georgia is attached.)
6. Send copies of all correspondence to Louise Frolich in the Home Office?

AUGUST 19, 1971.

Mr. HERBERT R. ROREX,
Director, Child Nutrition Division, Food and Nutrition Service, USDA,
Washington, D.C.

DEAR MR. ROREX: This in response to the *Notice of Proposed Rule Making*, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

We have some general comments to make on the proposed changes in existing regulations as well as specific comments and suggestions in individual sections.

The major purpose of the proposed changes in regulations concerns the use of federal funds to carry out the mandatory provisions of Public Law 91-248 with respect to meeting the need for free and reduced price lunches for children qualifying under income standards established by the Department of Agriculture and the State Agencies. The real test, therefore, of the adequacy of the proposed new regulations is whether or not they will make it possible for the State Agencies and local school districts to meet the specific obligations and requirements which the Congress and the President has imposed by the approval of Public Law 91-248.

After careful analysis and evaluation of the proposed changes, it is our considered judgment that they will not meet the basic test outlined above. We therefore urge that the attached revisions be made as recommended to the end that Congressional policy on meeting the nutritional needs of children from low-income families can become a reality. In the event that the regulations are issued as presently proposed, we very strongly believe that the great progress achieved last year in reaching millions of additional needy children cannot be maintained and that the total goal of providing free or reduced price lunches to all needy children most certainly will not be met.

Sincerely,

LAWRENCE BARTLETT,
Chairman, State Director's Section.
(Miss) JOSEPHINE MARTIN,
Chairman, ASFSA Legislative Committee.

COMMENTS AND SUGGESTIONS ON PROPOSED RULE MAKING

1. *Section 210.4, new paragraph (f)*: A sum of \$4,552,200 from Section 32 funds is reserved for the States of Puerto Rico, the Virgin Islands, Guam and American Samoa. Such funds are available to these states for special cash assistance. We do not question the need of these states for the amount so reserved, but we do raise a question on why there is no similar reserve from Section 32 funds earmarked for the other states.

2. *Section 210.4, new paragraph (f)*: (a) We object to the Establishment of a "base" system to control the distribution of funds to the states. Such a system would be cumbersome, time consuming, and difficult to administer. Given the unavoidable time lag in school lunch reporting, it would seriously delay the receipt of additional funds by the states in the latter part of the school year and even further complicate the financial problems encountered by local school districts last year due to late receipt of federal funds.

(b) We agree in principle with the use of Section 32 funds for use as general cash assistance as indicated in the proposals. However, we believe that all states should share in these funds on an equitable basis taking into con-

sideration the need of the individual state as measured by per capita income. To do otherwise would be inconsistent with congressional intent as specified in the National School Lunch Act which provides a formula for the distribution of general-for-food assistance funds and would be further inconsistent with Section 210.4 of the present regulations. The proposed regulations as outlined will be detrimental to the states with low per capita income and the states that have been successful in providing lunches to a high percentage of children. It is estimated that 37 states will be seriously handicapped should this regulation become effective.

We recommend that all states receive from Section 4 and/or Section 32 a sufficient apportionment to guarantee a minimum rate of 5¢ per Type A Lunch and where the state's assistance need rate is above 5¢ such states shall be guaranteed a rate per meal equal to the assistance need rate for that state as defined by USDA.

(c) We object to the use of a base and the 30 cent maximum to control the use of Section 32 special assistance funds. We recommend that each state's apportionment from Sections 11 and 32 funds guarantee a rate of 40¢ for each free and reduced price meal served to eligible children.

3. *Section 210.5, new paragraph (c)*: See our comments in 2(a) above on the use of a base system to control distribution of funds to the states. We recommend that Section 32 funds be initially allocated to states so that the total amount of Section 32 and Section 11 funds be equal to the amount of such funds expended by the states during the fiscal year 1971. Additional amounts would be paid to the states upon justification to assure an average rate of 40 cents per each free and reduced price meal.

4. *Section 210.11, new paragraph (b-1)*: This amendment is appropriate.

5. *Section 210.11, new paragraph (b-2)*: It is suggested that the base month to be used for determining needed adjustments in reimbursement rates be set as in October with need adjustments made on January 1. A review of funds status after receipt of January claims leaves little time to make adjustments in rates prior to the end of the school year.

6. *Section 210.11, paragraph (c) revised*: We very strongly object to setting the maximum rate for special assistance at 30 cents, especially when it must be considered in conjunction with the "base" system so that the state wide average rate for special assistance cannot exceed 30 cents for the full year. The impact of this provision will seriously endanger continuance of free and reduced price lunches to children who qualify. Many school districts would receive substantially less special assistance money this year as compared to last year. As one example, the City of Atlanta would suffer a loss of \$238,000. Similar data is being developed for other areas and will be forwarded to you. We recommend the maximum rate be set at 40 cents as recommended by the Ad Hoc Committee of State and Major City Directors in March 31-April 2, 1971.

7. *Section 210.11, paragraph (d) revised*: Specify 40¢ in lieu of 30¢ on line 2. Delete the remainder of sentence after the word "that" on line 3 and add "the school is financially unable to meet its need for free and reduced prices lunches." This sub-section sets up three criteria to be used in justifying rates of special assistance above 30 cents. The first criteria appears to mean that a higher rate is justified when production costs (labor, food, etc.) are "higher than is typical" in a given area. This is appropriate but does not accord special consideration to schools which have a large number or high percentage of free lunches and would suffer heavy losses in financing such lunches at the 30 cent maximum. We therefore recommend that the following words be inserted at the end of the first of these criteria: "or the percentage or absolute number of free or reduced price lunches is higher than is typical in the state."

With respect to the second criteria we recommend the words "necessary operating" be inserted before the word "balance" and on the same line insert "as specified in Section 210.15" after the phrase "on hand".

With respect to the third criteria, after the word cost, delete "cannot be eliminated by other remedial action" and substitute "is not the result of poor management practices."

We would further recommend the sentence beginning with "Upon", line 9 be deleted and the following sentence be substituted—"Upon such a finding, the State Agency, or FNSRO where applicable, may assign a rate of reimbursement from special cash assistance and general cash assistance funds not to exceed 60¢ for each free and reduced price lunch served. Such rate should be reviewed and adjusted annually in accordance with cost of living changes." The rest of the paragraph be deleted down to "The State Agency—etc."

8. *Section 210.11, new paragraph (d-1)*: This section must be clarified. Since it appears to mean the only funds proposed to be apportioned to State Agency at the beginning of the year will be the Section 11 funds; and consequently, rates would have to be assigned on basis of Section 11 funds only. We re-emphasize our recommendations for allocation of Section 32 funds to all states at the beginning of the year (see Section 210.5 (c) Page 2).

9. *Section 210.11 new paragraph (d-2)*: We recommend here also that the month of October be used in place of January.

10. *Section 210.11 paragraph (g) amended*: No comments.

11. *Station 102.14a*: We recommend that after the first sentence of 210.14 (a) (1) the following sentence be inserted "USDA shall specify minimum staffing levels for each educational agency which would include skill and experience necessary for effective administration."

12. *Section 220.16, paragraph (b) revised*: We see no basis in the law or in fact for restricting the availability of equipment funds for schools already participating in the school lunch or breakfast program. To delay the approval of funds needed for equipment to serve additional needy children either lunch or breakfast until March 1 simply postpones this operation until the following fiscal year. We therefore recommend that this amendment be deleted.

If this subsection is not deleted, we would recommend it be amended to require the equipment funds apportioned on the basis of the number of children in schools without food service be restricted to use in such schools. Funds not used shall be returned to USDA for reapportionment to other states in need of such funds.

We also note the following objections: (a) the term "grossly inadequate" is vague; (b) requiring Washington's approval for expenditure of funds is inappropriate and inconsistent with Congressional intent and State autonomy; (c) requiring the States to work with *individual* schools rather than with *School Food Authorities*.

13. *Effective date*: Section 210.19(b) state that "no change in the requirements for lunches which decreases the maximum rates of reimbursement shall become effective less than 60 days after publication thereof". Since the proposed amendments to 210.11 does in effect reduce the maximum rate of reimbursement for free and reduced price lunches, we raise a serious question that such amendments can be made effective September 1, 1971. We further protest the issuance of important new regulations without providing sufficient lead time to State Agencies and local school districts that will allow major changes of this nature to be put into effect in an orderly and efficient manner.

GEORGIA DEPARTMENT OF EDUCATION, SCHOOL FOOD SERVICE UNIT COMPARISON—SELECTED SCHOOL SYSTEMS

[Lunch reimbursement at 1970-71 rates and at 5 and 30 cents, Aug. 17, 1971]

System	Pupil lunches paid	Served free	1970-71 reduced price	Federal reimbursement, for lunches, 1970-71	Reimbursement, same lunches at new rates	Difference
Atlanta City schools.....	6,692,487	5,692,227	1,258,788	\$3,006,001.28	\$2,767,479.60	-\$238,521.68
Meriwether County.....	320,418	325,142	24,792	157,497.85	138,497.80	-19,000.05
Hall County.....	1,380,766	207,933	14,104	187,737.95	146,751.25	-40,986.70
Wheeler County (1 of 60 neediest).....	57,061	95,260	45,870	57,685.52	52,248.55	-5,436.97
Decatur County.....	440,520	343,822	26,138	196,668.42	151,512.00	-45,156.42
Chatham County.....	3,408,885	1,350,161	102,410	757,930.65	678,844.10	-79,086.55

WHEAT RIDGE, COLO., August 29, 1971.

Miss LOUISE FROLICH,
Food Service Consultant,
Denver, Colo.

DEAR MISS FROLICH: Enclosed is a copy of each of the letters I sent to Mr. Herbert Rorex and the Congressmen in regard to the amendments to P.L. 91-248. I feel very uninformed to be writing such letters but I'm learning.

Sincerely,

BELLE M. GRENIER,
Legislative Chairman,
Colorado School Food Service Association.

1802

WHEAT RIDGE, COLO., August 27, 1971.

Hon. PETER H. DOMINICK,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

DEAR SIR: I am enclosing a copy of the letter I sent to Mr. Hubert Rorex, Director of the USDA Child Nutrition Division of the Food and Nutrition Service.

We have studied the amended regulations governing the operation of the National School Lunch Program made by the Food and Nutrition Service. We urge you to become familiar with these proposed regulations and use the influence you have to help us continue to feed as many children as possible.

We thank you for your assistance.

Sincerely,

BELLE M. GRENIER,
Legislative Chairman,
Colorado School Food Service Association.

WHEAT RIDGE, COLO., August 27, 1971.

Mr. HERBERT D. ROREX,
Director, Child Nutrition Division,
Food and Nutrition Service, USDA, Washington, D.C.

DEAR SIR: This is in response to the Notice of Proposed Rule Making, published August 13, 1971 in the Federal Register, to amend the regulations governing the operations of the Federal-State Child Nutrition Programs.

We think the proposed changes will not make it possible to carry-out the major purpose of the provisions of Public Law 91-248 with respect to meeting the need for free and reduced price lunches for children qualifying under income standards established by the Department of Agriculture and the Health Agencies.

Establishing a "base" system to control the distribution of funds in the states would prevent the state directors from using the special fund money to the best advantage. Under the proposal, an increase in the amount paid to one of our districts would require a decrease in the amount paid to another district rather than giving the state director authority to use the fiscal money as it is needed.

Why can't the Federal Grants for the Child Nutrition Programs be allocated before the school year begins? The month of January review of funds status leaves little time to make adjustments before the end of the school year.

We recommend that a guarantee of 40¢ be made for each free and reduced price meal served to eligible children and a minimum of 5¢ per Type A lunch served.

We urge that a common revision made by the American School Food Services Association Legislative Committee be made so Congressional policy on meeting the nutritional needs of children from low-income families may become a reality.

Sincerely,

BELLE M. GRENIER,
Legislative Chairman,
Colorado School Food Service Association.

CONNECTICUT

HARTFORD PUBLIC SCHOOLS,
September 8, 1971.

Hon. GEORGE MCGOVERN,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: We are writing to vigorously protest the proposed U.S.D.A. change in funding guidelines, which, if adopted would result in a significant reduction in anticipated federal school lunch subsidies.

The guideline changes, if adopted, will amount to a reduction per meal served of 17¢. Such a reduction in anticipated revenue means that a shortage of cafeteria funds of:

\$255,000 for the school (1971-72) year

\$180,000 for the balance of this fiscal year

At present, the Board is now subsidizing the lunch program at a rate of \$400,000 per year *assuming there is no cutback in federal revenues*. If the revenue cutback becomes a reality the Board would either be forced to increase its subsidy to \$580,000 or stop feeding poverty children when the money runs out. We estimate that the Board's money would run out on or about December 15, 1971.

To date, the Board's anticipated 1971-72 fiscal deficit could run \$1,000,000. (It should be noted that over \$700,000 of this deficit projection has resulted from federal and state revenue cutbacks *below* current funding levels). Since the Board cannot legally operate with a budget shortage, the funds must be found somewhere. In all likelihood, this will mean that the Board would be required to stop the lunch program, as unpleasant as this alternative seems.

We urge your support to restore funds to a minimum of 1970-71 levels. Please do everything in your power to persuade U.S.D.A. officials to change the disbursement guidelines.

If you need any additional information or assistance to help in this cause, please do not hesitate to call.

Sincerely,

MEDILL BAIR,
Superintendent of Schools.

FLORIDA

DEPARTMENT OF EDUCATION,
Tallahassee, August 27, 1971.

To: Herbert D. Rorex, Director, Child Nutrition Division, Food and Nutrition Services, U.S. Department of Agriculture.

The State Directors of the Southeast Region, in session in Atlanta for the USDA Regional Conference August 25, 1971, reacted to the proposed regulations pertaining to the Child Nutrition Programs.

The group endorses the recommendations of the American School Food Service Association Ad Hoc Committee, relating to the proposed regulations with one exception.

We recommend that Section 210.11 b.1 be revised. This section needs clarification. It appears that the only funds proposed to be apportioned for General Cash for Food Assistance are Section 4 funds, and consequently rates would have to be assigned on basis of Section 4 funds only. This negates the desire of the USDA to assure an average of 5¢ per meal, as indicated in the proposed regulation.

Attached is a copy of the ASFSA Ad Hoc Committee report, and a copy of specific recommendations relating to other regulations is attached.

SOUTHEAST REGION SCHOOL FOOD SERVICE DIRECTORS

Thelma G. Flanagan, Florida, Chairman; Roy T. Alverson, Alabama; Josephine Martin, Georgia; Cephus E. Bevins, Kentucky; John Walker, Mississippi; Ralph Eaton, North Carolina; Kathleen Gaston, South Carolina; Larry Bartlett, Tennessee; John Miller, Virginia; Sylvia Perez, Puerto Rico.

Selected Congressmen: Allen, Alabama; Hollings, South Carolina; Chiles, Florida; Perkins, Kentucky; Talmadge, Georgia; Whitten, Mississippi.

Southeast Regional State Directors: McGovern, Percy.

This is in response to the Notice of Proposed Rule Making, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

We have some general comments to make on the proposed changes in existing regulations, as well as specific comments and suggestions on individual sections.

The major purpose of the proposed changes in regulations concerns the use of federal funds to carry out the mandatory provisions of Public Law 91-248 with respect to meeting the need for free and reduced price lunches for children qualifying under income standards established by the Department and the State Agencies. The real test, therefore, of the adequacy of the proposed new regulations is whether or not they will make it possible for the State Agencies and local school districts to meet the specific obligations and requirements which

the Congress and the President has imposed by the approval of Public Law 91-248.

After careful analysis and evaluation of the proposed changes, it is our considered judgment that they will not meet the basic test outlined above. We, therefore, urge that revisions be made as recommended below to the end that Congressional policy on meeting the nutritional needs of children from low-income families can become a reality. In the event that the regulations are issued as presently proposed, we very strongly believe that the great progress achieved last year in reaching millions of additional needy children cannot be maintained and that the total goal of providing free or reduced price lunches to all needy children most certainly will not be met.

Comments and Suggestions

1. Section 210.4, new paragraph (f): A sum of \$4,552,200 from Section 32 funds is reserved for the States of Puerto Rico, the Virgin Islands, Guam and American Samoa. Such funds are available to these states for special cash assistance. We do not question the need of these states for the amount so reserved, but we do raise a question on why there is no similar reserve from Section 32 funds earmarked for the use of other states.

2. Section 210.4, new paragraph (f): (a) We object to the establishment of a "base" system to control the distribution of funds to the states. Such a system would be cumbersome, time consuming, and difficult to administer. Given the unavoidable time lag in school lunch reporting, it would seriously delay the receipt of additional funds by the states in the latter part of the school year and even further complicate the financial problems encountered by local school districts last year due to late receipt of federal funds. (b) We agree in principle with the use of Section 32 funds for use as general cash assistance as indicated in the proposals. However, we believe that all states should share in these funds on an equitable basis, taking into consideration the need of the individual state as measured by per capita income. To do otherwise would be inconsistent with congressional intent as specified in the National School Lunch Act, which provides a formula for the distribution of general-for-food assistance funds and would be further inconsistent with Section 210.4 of the present regulations. The proposed regulations as outlined will be detrimental to the states with low per capita income and the states that have been successful in providing lunches to a high percentage of children. It is estimated that 37 states will be seriously handicapped should this regulation become effective. We recommend that all states receive from Section 4 and/or Section 32 a sufficient apportionment to guarantee a minimum rate of 5¢ per Type A Lunch and where the state's assistance need rate is above 5¢, such states shall be guaranteed a rate per meal equal to the assistance need rate for that state as defined by USDA. (c) We object to the use of a base and the 30 cents maximum to control the use of Section 32 special assistance funds, and we recommend that each state's apportionment from Section 11 and 32 funds guarantee a rate of 40¢ for each free and reduced price meal served to eligible children.

3. Section 210.5, new paragraph (c): See our comments in 2(a) above on the use of a base system to control distribution of funds to the states. We recommend that Section 32 funds be initially allocated to states so that the total amount of Section 32 and Section 11 funds be equal to the amount of such funds expended by the states during the fiscal year 1971. Additional amounts would be paid to the states upon justification to assure an average rate of 40 cents per each free and reduced price meal.

4. Section 210.11, new paragraph (b-1): This amendment is appropriate.

5. Section 210.11, new paragraph (b-2): It is suggested that the base month to be used for determining needed adjustments in reimbursement rates be October, with need adjustments made on January 1. A review of funds status after receipt of January claims leaves little time to make adjustments in rates prior to the end of the school year.

6. Section 210.11, paragraph (c) revised: We very strongly object to setting the maximum rate for special assistance at 30 cents, especially when it must be considered in conjunction with the "base" system so that the state wide average rate for special assistance cannot exceed 30 cents for the full year. The impact of this provision will seriously endanger continuance of free and reduced price lunches to children who qualify. Many school districts would receive substantially less special assistance money this year as compared to last year. As one

example, the City of Atlanta would suffer a loss of \$238,000. Similar data is being developed for other areas and will be forwarded to you.

We recommend the maximum rate be set at 40 cents as recommended by the Ad Hoc Committee of State and Major City Directors, in March 31-April 2, 1971.

7. Section 210.11, paragraph (d) revised: Specify 40¢ in lieu of 30¢ on line 2. Delete the remainder of sentence after the word "that", and add "in lieu of" the school is financially unable to meet its need for free and reduced price lunches.

This sub-section sets up three criteria to be used in justifying rates of special assistance above 30 cents. The first appears to mean that a higher rate is justified when production costs (labor, food, etc.) are "higher than is typical" in a given area. This provision does not accord special consideration to schools which have a large number or high percentage of free lunches and would suffer heavy losses in financing such lunches at the 30 cents maximum. We, therefore, recommend that the following words be inserted at the end of the first of these criteria: "or the percentage or absolute number of free or reduced price lunches is higher than is typical in the state."

With respect to the second criteria, we recommend the words "necessary operating" be inserted before the word balance, and on the same line insert "as specified in Section 210.15" after the word "hand."

With respect to criteria three, after the word "cost", delete "cannot be eliminated by other remedial action" and substitute "is not the result of poor management practices."

We would further recommend the sentence in (3) beginning with "upon" be deleted, and the following sentence be substituted: "Upon such a finding, the State Agency, or FNSRO where applicable, may assign a rate of reimbursement from special cash assistance and general cash assistance funds not to exceed 60¢ for each free and reduced price lunch served. Such rate should be reviewed and adjusted annually in accordance with cost of living changes." The rest of the paragraph deleted down to "the State Agency-etc."

8. Section 210.11, new paragraph (d-1): This section must be clarified. Since it appears to mean the only funds proposed to be apportioned to State Agency at the beginning of the year will be the Section 11 funds; and consequently, rates would have to be assigned on basis of Section 11 funds only. We re-emphasize our recommendations for allocation of Section 32 funds to all states at the beginning of the year.

9. Section 210.11 new paragraph (d-2): We recommend here also that the month of October be used in place of January.

10. Section 210.11 paragraph (g) amended: — No Comments.

11. Section 210.14a: We recommend that after the first sentence of 210.14a.1. the following sentence be inserted: "USDA shall specify minimum staffing levels for each educational agency which would include skill and experience necessary for effective administration."

12. Section 220.16, paragraph (b) revised: We see no basis in the law or in fact for restricting the availability of equipment funds for schools already participating in the school lunch or breakfast program. To delay the approval of funds needed for equipment to serve additional needy children either lunch or breakfast until March 1, simply postpones this operation until the following fiscal year.

We, therefore, recommend that this amendment be deleted. We note the following objections: (a) the term "grossly inadequate" is vague, (b) this section requiring Washington's approval for expenditure of funds which is inappropriate and inconsistent with Congressional intent and the state autonomy, (c) the section requires the state to work with individual schools rather than school food authorities. We further recommend that this subsection be amended to require that equipment funds apportioned under the formula for the basis of the number of children in schools without food service be restricted to use in such schools, they shall be returned to USDA for reapportionment to other states in need for such funds.

13. Effective Date. Section 210.19(b) states that no change in the requirements for lunches which "decreases the maximum rates of reimbursement shall become effective less than 60 days after publication thereof." Since the proposed amendments to 210.11 does in effect reduce the maximum rate of reimbursement for free and reduced price lunches, we raise a serious question that such amendments can be made effective September 1, 1971. We further protest the issuance of im-

portant new regulations without providing sufficient lead time for states and individual school districts, so that major changes of this nature can be put into effect in an orderly and efficient manner.

ASFSA Ad Hoc Committee: Larry Bartlett, Chairman, State Directors Section; Josephine Martin, Chairman, Legislative Committee; Thelma G. Flanagan; Edward F. Gaidzik; Clarice Johns; Samuel C. Vanneman; Louise Frolich.

RECOMMENDATIONS OF SOUTHEAST REGION STATE SCHOOL FOOD SERVICE DIRECTORS

(Adopted August 25, 1971, Southeast Regional Conference, Atlanta, Ga.)

At a meeting held on August 25, 1971, the southeast region state school food service directors discussed the current status and needs of school food service programs. The group adopted and proposes the following recommendations to the U.S. Department of Agriculture:

1. We wholeheartedly endorse the following recommendation, adopted in New Orleans, March 6, 1971, at a meeting of southeast region Chief State School Officers and Food Service Directors:

"USDA make available to the State Educational Agency no later than May 1, 1971, and the same date in subsequent years all changes relating to records and reports, rates, regulations, instructions, and policy statements that will be applicable during the following fiscal year." We urge that it be followed, except where new laws mandate new regulations that cannot be delayed.

2. We further recommend that the USDA prepare regulations quickly to carry out the intent of PL 92-32, and that the Secretary make Section 32 funds available to the states for expanding school breakfasts in accordance with the intent of PL 92-32.

3. We regret that the following recommendation, also made at New Orleans, was not implemented by the USDA:

"That USDA convene the Advisory Committee . . . no later than April 1, to (1) develop guidelines for preparing state plans, and make such guides available to states by June 1. Guidelines should include requirements for the state plans to describe the detail action program the state proposes to undertake in expanding, improving, and coordinating the states' nutrition education activities. (2) the guidelines should contain provisions for amending state educational agency plans to justify the request for funds transfer."

We recommend that:

(a) A Task Force for preparing guidelines for state plans to be appointed and called together by September 1, and that the USDA provide guidelines to states by October 15.

(b) The Task Force should include a chief state school officer, a nutrition oriented individual, a finance officer from state department of education, a program planning specialist, and not less than three state school food service directors.

(c) Selection be made of six state plans (a sampling) and distributed to Task Force prior to meeting.

(d) Food and Nutrition Service Regional Office call a meeting of state directors immediately following issuance of guidelines (October 15) for interpretation and planning.

4. We further recommend that the USDA report actual meals served as reported by the states, and that the USDA discontinue their practice of applying ADA per cent to ADP, and that federal reports show average daily number of meals served children rather than using the adjusted figure which attempts to show the number of children reached. Such adjusted reports are misleading, confusing, and make it difficult for states to secure adequate state funds to support the programs.

SOUTHEAST REGION SCHOOL FOOD SERVICE DIRECTORS

Thelma G. Flanagan, Florida, Chairman; Roy T. Alverson, Alabama; Josephine Martin, Georgia; Cephus E. Bevins, Kentucky; John Walker, Mississippi; Ralph Eaton, North Carolina; Kathleen Gaston, South Carolina; Larry Bartlett, Tennessee; John Miller, Virginia; Sylvia Perez, Puerto Rico.

THE SCHOOL BOARD OF BROWARD COUNTY, FLA.,
September 1, 1971.

To: Hon. Lawton Chiles, U.S. Senator; Hon. Edward J. Gurney, U.S. Senator; Hon. George McGovern, U.S. Senator; Hon. J. Herbert Burke, Congressman; Hon. Dante B. Fascell, Congressman; Hon. Claude Pepper, Congressman; Hon. Paul G. Rogers, Congressman; Hon. Floyd T. Christian, commissioner, State department of education; Mrs. Louise A. K. Frolich, field coordinator, American School Food Service; Mr. Richard Lyng, Assistant Secretary, Department of Agriculture; Mr. Edward J. Hekman, Administrator, Department of Agriculture; Mr. Herbert D. Rorex, Director, Department of Agriculture; Mr. Russell James, Director, Department of Agriculture; Miss Josephine Martin, chairman, legislative committee, American School Food Service Association; Mr. Lawrence Bartlett, chairman, State directors section, American School Food Service Association.

From: O. L. Searing, director, school food service, Broward County; Mrs. Janet Shinn, director, school food service, Dade County; Mrs. Jane Lansing, director, school food service, Palm Beach County; Mrs. Elizabeth Pierce, president-elect, Florida School Food Service Association.

Re: Fiscal year 1972 proposed Federal regulations.

The school food service directors of Broward, Dade and Palm Beach Counties, representing one-third of Florida's public school children, met in Fort Lauderdale September 1, 1971, for the purpose of making specific recommendations concerning the proposed FY '72 amendments to the Food and Nutrition Services Regulations for Child Nutrition Programs. Also meeting with these directors was the president-elect of the Florida School Food Service Association.

The proposed regulations as stated will reduce available federal funds for continuing and expanding child feeding programs in Broward, Dade and Palm Beach Counties for the fiscal year 1972.

The school boards of these districts have committed themselves to the attainment of President Nixon's goal of feeding all needy children. The records of these counties show the total number of Type "A" lunches served during 1970-1971 to economically needy children was as follows:

District	Reduced	Free	Total
Broward.....	1, 147, 775	1, 355, 510	2, 503, 285
Dade.....	749, 640	4, 835, 815	5, 585, 455
Palm Beach.....	1, 254, 266	1, 214, 560	2, 468, 826
Total.....	3, 151, 681	7, 405, 885	10, 557, 566

To effectively achieve the commitments of federal, State and local governments, the following specific recommendations are proposed:

(1) Monies for reimbursing meals for economically needy children must be based on the principle of reimbursing school districts for the cost of producing and serving a meal in whatever school the economically needy child is enrolled.

(2) Federal rates of reimbursement should be based on the actual performance of a school district on a per meal basis.

Specifically, it is recommended that Section 4 monies be apportioned to school districts on a per meal basis at a minimum rate equal to one-third of the cost of purchased food. For these counties, this cost is calculated at .075 cents, based on an average purchased food cost of .225 cents.

It is further recommended that Section 4 funds be allocated to the states on the basis of the per capita income of the state and the number of lunches served in the state as specified in the National School Lunch Act which provides a formula for the distribution of general for food assistance funds.

(3) Section 11 and 32 monies must be apportioned to school districts on an actual performance basis so that the cost of feeding needy children is not borne by the nonneedy child who chooses to participate in the program.

(4) It is also recommended that maximum flexibility in the use of Section 11 and 32 funds should be provided state agencies so that incentive reimbursement formulas for good management, improved performance, and proper supervision can be achieved.

This flexibility should also allow Section 11 and 32 funds to follow the individual economically needy child and should provide school districts with the necessary funds to feed these needy children without using the payments of the non-needy child.

The average cost of producing a lunch from school food service operating funds in these counties excluding the value of USDA commodities, is 50 cents. Therefore, we recommend a reimbursement rate of .075 cents for paid lunches, 30 cents for reduced price lunches, and 50 cents for free lunches from federal funds as shown:

	Section 4 funds (cents)	Section 11 and 32 funds	Total (cents)
Paid lunches.....	0.075	-----	0.075
Reduced price lunches.....	0.075	22.5	.300
Free lunches.....	0.075	42.5	.500

Your assistance in achieving these recommendations is vitally needed for the survival of the school food service program in large urban districts with a high percentage of economically needy children.

DADE COUNTY PUBLIC SCHOOLS,
ADMINISTRATION OFFICES,
Miami, Fla., September 3, 1971.

Hon. GEORGE MCGOVERN,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR MR. MCGOVERN: Newly proposed Federal Regulations for Child Feeding Programs would result in a considerable loss of Federal funds for Dade County Schools. As a result of this projected loss, the school board in official action has authorized me to write you of its great concern over these new regulations.

Recent action by the United States Department of Agriculture in reducing maximum allowable reimbursement rates seems to indicate that funds will not be available to reimburse school districts for the cost of preparing and serving lunches to needy children. At the same time, United States Department of Agriculture Officials are requiring school districts to provide free and reduced price lunches in accordance with very strict guidelines.

The Dade County School Board operates a sizable food service program adhering to all Federal and state requirements. Last year 14,865,225 paid lunches, 719,676 reduced price lunches and 4,650,520 free lunches were served. The average reimbursement rates for lunches proposed for fiscal year '72 when compared to '71 rates indicates a loss in Federal funds of \$412,858.00 as shown below.

	1971	1972	Difference
Section IV funds (all lunches).....	0.0645	0.05	-----
Section 11 and 32 funds (needy lunches).....	.3168	.30	-----
Total.....			\$412,858

These proposed rates of reimbursement will not permit the food service program to remain financially solvent. We cannot continue to increase pupil sale prices to finance the cost of feeding needy children nor does the local school board have tax funds, in addition to those presently budgeted, available for the food service program.

This board has been concerned for several years with the inequities in the various reimbursement formulas devised at both Federal and state levels in meeting the financial needs of large urban school districts operating a food service program and where production cost exceeds the state average.

We have large numbers of identified poor children needing a lunch at school and we are also a school district undergoing court ordered desegregation which has resulted in a fairly equal distribution of needy children in all 233 schools. Therefore, any distribution of funds which classifies schools as needy and reimburses all lunches in those schools at a higher cash reimbursement rate, discriminates against the district complying with court orders.

To continue to operate this food service program and to achieve the goal of providing lunches for needy children the following recommendations are made:

1. Money for reimbursing meals for economically needy pupils should be based on the principle of reimbursing the school district for the cost of producing and serving a meal in whatever school the economically needy child is enrolled.

2. Federal rates of reimbursement should be based on the performance of the district in feeding children and rates should be calculated on a per meal basis. Specifically, it is recommended that Section IV moneys be apportioned at a minimum rate equal to one-third the cost of purchased food or 7.5 cents per lunch. It is further recommended that Section IV be apportioned in accordance with Section 210.4(a) of the National School Lunch Act.

3. Sections 11 and 32 moneys should be apportioned to school districts on a per meal basis and actual performance so that the cost of feeding needy children is not borne by the non-needy child who chooses to participate in the program. It is also recommended that maximum flexibility in the use of Sections 11 and 32 funds be provided state agencies so that incentive reimbursement formulas for good management, improved performance and proper supervision can be achieved. This flexibility should also permit the transfer of funds to achieve a Section IV reimbursement rate equal to 7.5 cents per lunch.

In Dade County Schools, the average cost of producing a lunch from school food service operating funds and excluding the value of commodity foods, is 50 cents. For the most prudent use of Federal funds, it is recommended that reimbursement rates of 7.5 cents for paid lunches, 30 cents for reduced price lunches and 50 cents for free lunches be established from Federal funds as shown:

[In cents]

	Sec. IV	Sec. 11 and 32	Total
Paid lunches.....	7.5	-----	7.5
Reduced price lunches.....	7.5	22.5	30.0
Free lunches.....	7.5	42.5	50.0

Your attention to this immediate problem in food service for the pupils in Dade County Schools is appreciated.

Cordially yours,

WILLIAM LEHMAN,
Chairman, Dade County School Board.

TALLAHASSEE, FLA., September 4, 1971.

HON. GEORGE MCGOVERN,
U.S. Senate,
Washington, D.C.

As president of the council of chief State school officers, I would like very much to personally appear before your committee to protest the proposed national school lunch regulations, but have an important cabinet meeting here I must attend.

In its simplest terms, we are being asked to (1) freeze all sale prices; (2) accept increased food prices; (3) initiate revised free and reduced price lunch policies that will give as many as 20 percent more free meals in some of Florida's school districts; and (4) receive approximately one-fourth less Federal reimbursement.

In that this is obviously impossible, we rely upon you heavily to make these points known to Secretary Hardin.

FLOYD T. CHRISTIAN,
Commissioner, Florida Department of Education.

TALLAHASSEE, FLA., September 4, 1971.

HON. GEORGE MCGOVERN,
U.S. Senate,
Washington, D.C.

Over and above the fact that the proposed national school lunch regulations will curtail the Federal funds available to support the school lunch program is the fact that nearly every State legislature, the United States Congress, and

the U.S. Office of Education are asking for and demanding program planning and budgeting in our schools.

Major regulation revisions such as these, just as schools are opening, negate the entire concept of good program planning and budgeting. We are opening our schools in Florida for the third year in a row without being able to tell our superintendents, principals and school food service supervisors what Federal support they can expect to receive in support of their lunch programs.

The Florida Department of Education appeals to you to see that this regressive practice is not allowed to continue another year.

JOHN W. SEAY,

Deputy Commissioner, Florida Department of Education.

GEORGIA

LAGRANGE PUBLIC SCHOOLS,
ADMINISTRATION BUILDING,
LaGrange, Ga., August 20, 1971.

Hon. GEORGE S. MCGOVERN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCGOVERN: We, in LaGrange, have become quite concerned about the reimbursement rates established for school lunches by the Department of Agriculture.

We are well aware of, and we appreciate, your efforts in promoting the School Lunch and Breakfast Programs. However, if the information we have is correct, the reimbursement rates as established by the Department of Agriculture, will cause our lunchroom program to be unable to operate on a sound financial basis.

Our cost analysis per plate for the school year 1970-71 shows an average cost of 42.5¢ for purchased food, labor, equipment and cost of other items used in the preparation of school lunches.

The President's freeze on an increase in prices, coupled with the decreased reimbursement rates established by U.S.D.A. will place us in an administrative impossibility. Add to this the enforcement of the free and reduced policy and you can readily see that the operation of a lunch program in public schools under this set-up is headed for a complete failure.

We urge you to use your influence to provide adequate reimbursement rates so that we may fully and successfully abide by U.S.D.A. regulations.

Sincerely yours,

W. RICHARD FOWLER,
Director, School Food Service.

STATE DEPARTMENT OF EDUCATION,
OFFICE OF SCHOOL ADMINISTRATIVE SERVICES,
August 24, 1971.

Hon. GEORGE MCGOVERN,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: We need your help desperately!

The USDA has proposed regulations which inundate the provisions of PL 91-248 providing free or reduced-price lunches to children.

The regulations for utilizing Section 32 money completely negate the provisions relating to per capita income of states. Poor states will lose under the new regulations; the states that have over the years built strong lunch programs will lose.

The authority for fund control is taken from the states and placed in USDA's control. The provisions allow only 35¢ for a free lunch, by virtue of fund apportionment to the states.

The following comparison of amounts paid six school systems in 1970-71 and the amount earned under the provisions of the new regulations demonstrates the cost of the project in Georgia:

	Paid 1970-71	New formula	Difference
Atlantic City.....	\$3,006,001.28	\$2,767,479.60	\$238,521.68
Meriwether County.....	157,497.85	138,497.80	19,000.05
Hall County.....	187,737.95	146,751.25	40,986.70
Wheeler County.....	57,685.52	52,248.55	5,436.97
Decatur County.....	169,668.42	151,512.00	18,156.42
Chatham County.....	757,930.65	678,844.10	79,086.55

Unless USDA changes its direction, the regulations will be published in *final* form after August 28.

It is really traumatic to observe a program change that will inundate the programs in operation, ignore congressional intent, and provide maximum assistance (although not enough) to the 14 states with highest per capita income; to observe the change and to be helpless!

I am enclosing my comments to Herbert Rorex making reference to specific items in the regulations.

We appreciate your constant support of Child Nutrition Programs.

Sincerely yours,

JOSEPHINE MARTIN,
Administrator, School Food Services.

Enclosure.

COMMENTS AND RECOMMENDATIONS PERTAINING TO PROPOSED REGULATIONS

1. Section 210.4, new paragraph (f): A sum of \$4,552,200 from Section 32 funds is received for the states of Puerto Rico, the Virgin Islands, Guam and American Samoa. Such funds are available to these states for special cash assistance. We do not question the need of these states for the amount so reserved, but we do raise a question on why there is no similar reserve from Section 32 funds earmarked for the other states.

2. Section 210.4, new paragraph (f): (a) We object to the establishment of a "base" system to control the distribution of funds to the states. Such a system would be cumbersome, time consuming, and difficult to administer. Given the unavoidable time lag in school lunch reporting, it would seriously delay the receipt of additional funds by the states in the latter part of the school year and even further complicate the financial problems encountered by local school districts last year due to late receipt of federal funds. (b) We agree in principle with the use of Section 32 funds for use as general cash assistance as indicated in the proposals. However, we believe that all states should share in these funds on an equitable basis taking into consideration the need of the individual state as measured by per capita income. To do otherwise would be inconsistent with congressional intent as specified in the National School Lunch Act which provides a formula for the distribution of general-for-food assistance funds and would be further inconsistent with Section 210.4 of the present regulations. The proposed regulations as outlined will be detrimental to the states with low per capita income and the states that have been successful in providing lunches to a high percentage of children. It is estimated that 37 states will be seriously handicapped should this regulation become effective. We recommend that all states receive from Section 4 and/or Section 32 a sufficient apportionment to guarantee a minimum rate of 5¢ per Type A lunch and where the state's assistance need rate is above 5¢, such states shall be guaranteed a rate per meal equal to the assistance need rate for that state as defined by USDA. (c) We object to the use of a base and the 30 cents maximum to control the use of Section 32 special assistance funds and we recommend that each state's apportionment from Section 11 and 32 funds guarantee a rate of 40¢ for each free and reduced price meal served to eligible children.

3. Section 210.5, new paragraph (c): See our comments in 2(a) above on the use of a base system to control distribution of funds to the states. We recommend that Section 32 funds be initially allocated to states so that the total amount of

Section 32 and Section 11 funds be equal to the amount of such funds expended by the states during the fiscal year 1971. Additional amounts would be paid to the states upon justification to assure an average rate of 40 cents per each free and reduced price meal.

4. Section 210.11 new paragraph (b-1) : This amendment is appropriate.

5. Section 210.11, new paragraph (b-2) : It is suggested that the base month to be used for determining needed adjustments in reimbursement rates be set as in the October with need adjustments made on January 1. A review of funds status after receipt of January claims leaves little time to make adjustments in rates prior to the end of the school year.

6. Section 210.11, paragraph (c) revised : We very strongly object to setting the maximum rate for special assistance at 30 cents, especially when it must be considered in conjunction with the "base" system so that the state wide average rate for special assistance cannot exceed 30 cents for the full year. The impact of this provision will seriously endanger continuance of free and reduced price lunches to children who qualify. Many school districts would receive substantially less special assistance money this year as compared to last year. As one example, the city of Atlanta would suffer a loss of \$238,000. Similar data is being developed for other areas and will be forwarded to you.

We recommend the maximum rate be set at 40 cents as recommended by the Ad Hoc Committee of State and Major City Directors in March 31-April 2, 1971.

7. Section 210.11, paragraph (d) revised : Specify 40¢ in lieu of 30¢ on line 2. Delete the remainder of sentence after the word "that" and add "in lieu of." The school is financially unable to meet its need for free and reduced price lunches.

This sub-section sets up three criteria to be used in justifying rates of special assistance above 30 cents. The first appears to mean that a higher rate is justified when production costs (labor, food, etc.) are "higher than is typical" in a given area. This is appropriate but does not accord special consideration to schools which have a large number or high percentage of free lunches and would suffer heavy losses in financing such lunches at the 30 cents maximum. We therefore recommend that the following words be inserted at the end of the first of these criteria : "or the percentage or absolute number of free or reduced price lunches is higher than is typical in the state."

With respect to the second criteria we recommend the words "necessary operating" be inserted before the word balance and on the same line insert "as specified in Section 210.15" after the word "hand."

With respect to criteria three, after the word cost, delete "cannot be eliminated by other remedial action" and substitute "is not the result of poor management practices."

We would further recommend the sentence beginning with upon (line) be deleted and the following sentence be substituted—"Upon such a finding, the State Agency, or FNSRO where applicable, may assign a rate of reimbursement from special cash assistance and general cash assistance funds not to exceed 60¢ for each free and reduced price lunch served. Such rate should be reviewed and adjusted annually in accordance with cost of living changes." The rest of the paragraph deleted down to "the State Agency—etc."

8. Section 210.11, new paragraph (d-1) : This section must be clarified. Since it appears to mean the only funds proposed to be apportioned to State Agency at the beginning of the year will be the Section 11 funds; and consequently, rates would have to be assigned on basis of Section 11 funds only. We re-emphasize our recommendations for allocation of Section 32 funds to all states at the beginning of the year.

9. Section 210.11, new paragraph (d-2) : We recommend here also that the month of October be used in place of January.

Effective date: Section 210.19(b) states that no change in the requirements for lunches which "decreases the maximum rates of reimbursement shall become effective less than 60 days after publication thereof." Since the proposed amendments to 210.11 does in effect reduce the maximum rate of reimbursement for free and reduced price lunches, we raise a serious question that such amendments can be made effective September 1, 1971. We further protest the issuance of important new regulations without providing sufficient lead time to State Agencies and local school districts so that major changes of this nature can be put into effect in an orderly and efficient manner.

10. Section 210.11 paragraph (g) amended :—No comments.

11. Section 210.14(a) : We recommend that after the first sentence of 210.14(a) the following sentence be inserted : "USDA shall specify minimum staffing levels

for each educational agency which would include skill and experience necessary for effective administration."

12. Section 220.16, paragraph (b) revised: We see no basis in the law or in fact for restricting the availability of equipment funds for schools already participating in the school lunch or breakfast program. To delay the approval of funds needed for equipment to serve additional needy children either lunch or breakfast until March 1 simply postpones this operation until the following fiscal year.

We therefore recommend that this amendment be deleted. We note the following objections: (a) The term "grossly inadequate" is vague, (b) this section requiring Washington's approval for expenditure of funds which is inappropriate and inconsistent with congressional intent and the state autonomy, (c) the section requires the state to work with individual schools rather than school food authorities. We further recommend that this sub-section be amended to require that equipment funds apportioned under the formula for the basis of the number of children in schools without food service be restricted to use in such schools, they shall be returned to USDA for reapportionment to other states in need for such funds.

ATLANTA, GA., September 4, 1971.

HON. GEORGE MCGOVERN,
Senator of South Dakota, Chairman, Select Committee on Nutrition and Human Needs, Senate Office Building, Washington, D.C.

We, as home economists in business, are distressed at the cut in funds for the school lunch program. Recognizing that economies in government are sorely needed, we feel that priorities need be examined providing poor children at least one well balanced meal and for many the only meal of the day. We are concerned and hope the cut back can be recinded before it takes place.

MILDRED ALMDALE, Chairman,
GEORGIA HOME ECONOMISTS IN BUSINESS.

ROME CITY SCHOOL CAFETERIA,
OFFICE OF LUNCHROOM SUPERVISOR,
Rome, Ga., September 10, 1971.

MR. HERBERT ROREX,
Director, Child Nutrition Division,
Food and Nutrition Service, Washington, D.C.

DEAR MR. ROREX, this letter is in response to the Notice of Proposed Rule Making, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

Certain provisions of Public Law 91-248 made it mandatory for local boards of education to meet the nutritional needs of children qualifying under income standards established by the Department of Agriculture. Under the proposed new regulations we are quite concerned how we shall meet the obligations and requirements of Public Law 91-248. Our operating cost per lunch last year averaged .43.

We have some schools in our school district that feed 65-70% free and reduced price. With a percentage this high we are most concerned how these schools and others like them can abide by the law and still meet their financial obligations.

Your support concerning changes in the proposed regulation would be most appreciated.

Sincerely,

MADGE MAUNT.

KRANNERT ELEMENTARY SCHOOL,
Rome, Ga., September 10, 1971.

HON. SENATOR GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SIR, in lieu of the fact that it is difficult to operate a school lunchroom adequately, and meet the needs of children who are eligible for free and reduced-price lunches, I am asking you please to consider supplying additional funds to lunchrooms.

Reimbursements of 30¢ per plate on free lunches as is supplied under Law #91248 is not enough. Specific reasons for an increase are as follows:

1. High food prices.
2. Increased labor costs.
3. Major break-downs of equipment.
4. High prices of cleaning chemicals and other products.

We are situated in an area which has a large percentage of families from low income brackets. We fed from 10% to 15% of our children free and furnish a number of reduced-price lunches.

Thank you for your serious consideration.

Yours sincerely,

FRANCES E. EVANS, *Principal.*

KRANNERT ELEMENTARY SCHOOL,
Rome, Ga., September 10, 1971.

Senator GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am the legislative chairman of the Floyd County School Food Service Association. Again I am asking your help in getting additional funds to finance the free and reduced-priced lunches. As you know we are getting more and more of them and 30¢ just doesn't go as far as it used to in buying power. I will appreciate all the help you can give us in securing additional funds. Thank you.

Sincerely,

(Mrs.) SARAH W. CHANDLER.

GLYNN COUNTY BOARD OF EDUCATION,
SCHOOL FOOD SERVICE DEPARTMENT,
Brunswick, Ga., September 13, 1971.

HON. GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN, I have followed in the news media, newspapers, etc. your sincere interest and desire to help the School Lunch Program.

We have been charged with the responsibility of feeding all eligible youngsters and yet the appropriation committee is getting ready to cut the School Lunch budget. Is this reasonable! It doesn't even make sense when we go ahead and waste so much money on the war in Viet Nam.

Won't you please do all in your power to see that our money is not taken away. (When I say "our" money I mean the child's.)

Could you, could the appropriation committee members, look a child in the eye and say: "I'm sorry you can't eat a lunch any more the reimbursement has been cut and we can't afford to feed you".

The children are depending on you to speak for them.

Sincerely,

(Miss) ANNETTE EVANS, *Director.*

KENNESAW ELEMENTARY SCHOOL,
Kennesaw, Ga., September 13, 1971.

HON. GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SIR: The faculty and parents of our school are deeply concerned about the recent cuts in lunchroom reimbursements to our school. We too live in an area where food costs are very expensive, and quite frankly, we don't see how our lunchroom program can survive and operate in the black without the full reimbursement that we have been receiving.

We are proud of the lunches we serve but we shudder to think of what we would be forced to serve when we cease to operate in the black, which would be inevitable in a short period of time. If the present rates had been in effect last

year, it would have cost our school lunchroom over 1,600 dollars and we would have ended the school year in the red dollar figure.

We do not feel that proper judgment has been used in this instance and under no circumstances is it justified when our children will be the ones who would be done the injustice.

We urge you to use every influence possible to have these funds reinstated.

Respectfully yours,

J. PHIL BLACKWELL, *Principal.*

ROME CITY SCHOOLS,
OFFICE OF SUPERINTENDENT,
Rome, Ga., September 14, 1971.

Mr. HERBERT ROEX,
Director, Child Nutrition Division,
Food and Nutrition Services, Washington, D.C.

DEAR MR. ROEX: This letter is in response to the *Notice of Proposed Rule Making*, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

Certain provisions of Public Law 91-248 made it mandatory for local boards of education to meet the nutritional needs of children qualifying under income standards established by the Department of Agriculture. Under the proposed new regulations, we are quite concerned how we shall meet the obligations and requirement of Public Law 91-248. Our operating cost per lunch last year averaged 43 cents. We have some schools in our school district that feed 65 to 70 percent free or reduced price. With a percentage this high, we are most concerned how these schools and others like them can abide by the law and still meet their financial obligations.

Your support concerning changes in the proposed regulations would be most appreciated.

Sincerely yours,

JESSE C. LASETER, *Superintendent.*

JESUP JUNIOR HIGH AND ELEMENTARY SCHOOL,
Jesup, Ga., September 20, 1971.

HON. GEORGE MCGOVERN,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: We are most concerned about the appropriation for paid, free and reduced price school lunches.

In the Jesup Junior High and Elementary School where I am manager of the school lunch and breakfast program, we fed 97% lunches and 19% breakfasts during the school year 1970-71. This provided 163,205 total lunches; 105,154 paid, 56,450 free and 1,601 reduced. This provided 15,377 total breakfasts; 759 paid and 14,618 free.

We feel, in Wayne County, Georgia, that to meet the nutritional requirements of children enrolled in the Wayne County School System, we will need the same amount of reimbursement received in 1970-71.

We appreciate all your untiring efforts in working for the School Lunch Program.

Sincerely,

BEVERLY J. POPPELL, *Manager.*

GLYNN COUNTY SCHOOL SYSTEM,
ALTAMA ELEMENTARY SCHOOL,
Brunswick, Ga., September 21, 1971.

HON. SENATOR GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: It has been brought to my attention that the funds to support our school lunch program is likely to be cut. Please consider the effect that this would have on so many children.

In order to comply with the unitary school system guide lines laid down by Court Order, my enrollment includes some two hundred seventy children from

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Federal low cost housing. The majority of these children are on welfare or public assistance.

The information I have is that the cutback will amount to some eleven cents per lunch served. May I request that you use your influence to help get this amount restored, as it would seriously impair the quality of lunches served. Thank you for your efforts.

Very respectfully,

TROY C. BEAVERS, *Principal.*

POWDER SPRINGS ELEMENTARY SCHOOL,
Powder Springs, Ga., September 21, 1971.

Senator GEORGE MCGOVERN,
*Senate Office Building,
Washington, D.C.*

DEAR MR. MCGOVERN: I would like to take this means of registering my opposition to the proposed reduction in the school lunch reimbursement rate now under consideration by the USDA. As you are aware, the general economic conditions already impose a burden on the operation of school food service programs. In addition, the following are reasons against the proposed regulations for child nutrition programs:

1. Could not afford to have reimbursement rate lowered.
2. Cannot continue to feed needy children.
3. For our school, a loss of \$1,023.60 over a period of nine months.
4. The continuing rise in food and labor costs.

Your influence in maintaining the present level of funding for school reimbursement rates will be appreciated.

Sincerely,

J. WADE ASH, *Principal.*

KENTUCKY

DEPARTMENT OF EDUCATION,
Frankfort, Ky., August 27, 1971.

HON. GEORGE MCGOVERN,
*U.S. Senate,
Washington, D.C.*

DEAR MR. MCGOVERN: At a meeting of State School Food Service Directors and USDA officials in Atlanta, Georgia, during the week of August 23, 1971, the announcement was made that no additional funds other than those available as a result of PL 92-32 were available to continue the Breakfast Program during FY 1972. This was quite a shock to me as Director of the School Food Services for Kentucky and a fear that consternation would reign among local school officials in more than 500 schools should it be necessary to cancel the Breakfast Programs at the end of September, 1971. PL 92-32 will provide only sufficient funds for the months of August and September combined for School Breakfast. During the FY 1971 more than \$1,000,000 from Section 32 funds were used to continue the Breakfast Program in Kentucky schools and it is anticipated that an equal or greater amount would be needed for FY 1972.

Could it be that there is a difference of opinion between the Congress of the United States of America and the U.S. Department of Agriculture as to the use of Section 32 funds? It seems to me to border on being ridiculous to recognize the fact that the USDA be permitted to use a Congressional appropriation in such a manner as to curtail those activities for which the funds were appropriated to say nothing of the future use to which they might be put.

As it stands now the only source of funds for the continuation of the Kentucky School Breakfast Program is Section 32. We sincerely request that steps be taken to cause these funds to be released immediately in such amount that the Breakfast Program can be continued during the 1971-72 school year.

Sincerely,

C. E. BEVINS,
Director, Division of School Food Service.

Enclosures.

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MILLERSBURG ELEMENTARY SCHOOL,
Millersburg, Ky., August 26, 1971.

Mr. C. E. BEVINS,
Director, Division of School Food Service,
Kentucky Department of Education, Frankfort, Ky.

DEAR MR. BEVINS: We feel that the time has come for us to venture into the realm of the tried and true and start a breakfast program. Our enrollment as of today is 210, and our percentage of attendance is around 95 so we should have an ADA of 200. About 100 of our children walk from home and are the ones that need breakfast. Also, several Junior high and Senior high students meet the buses here to ride to their schools. May we feed these children too?

Answers to these questions and any information we need will be greatly appreciated.

Sincerely,

CHARLES TRIBBLE, *Principal.*

BRECKINRIDGE COUNTY BOARD OF EDUCATION,
Hardinsburg, Ky., August 26, 1971.

Attention: Mr. O. J. Allen, Superintendent.

MR. ALLEN: As principal of Milner School, I request permission to set up a breakfast program at Milner School.

After sending a survey home to parents concerning student participation in a breakfast program, I am convinced that parents in the community wish to see such a program set up at Milner School.

Thank you.

Sincerely,

PAUL F. O'REILLY, *Principal.*

LOUISIANA

STATE OF LOUISIANA,
DEPARTMENT OF EDUCATION,
Baton Rouge, August 31, 1971.

Senator GEORGE MCGOVERN,
Chairman, U.S. Senate, Select Committee on Nutrition and Human Needs, Washington, D.C.

DEAR SENATOR MCGOVERN: Mr. Bartlett, who will represent the School Food Service State Directors at the Hearing of the Select Committee on Nutrition and Human Needs, has been furnished with the material requested from the State of Louisiana. However, I would like to supply you directly with this additional information. As you are aware, we are indeed more fortunate regarding School Lunch than other states in that the State of Louisiana supplies a larger reimbursement rate than that supplied by the Federal Government under Section 4.

We are, however, extremely concerned about Breakfast Program funding. Louisiana instituted the first public school Breakfast Program in the United States on the first day of its eligibility and has continued from that date to promote this program. Growth has been very good; however, we were expecting our greatest single year of progress in 1971-72 with a record number of requests already received. For example, one of our largest parishes (Caddo) has requested institution of Breakfast Programs in every school in the parish numbering 78 schools. After having been encouraged to push this very worthwhile program, it was quite frustrating to be told at the last moment before schools opened that we would have to advise these people we could not institute the Breakfast Program.

All reports on Breakfast Programs in our schools are positive in their assertion that the Breakfast Program serves an equal if not greater purpose than does the School Lunch as many administrators say if a child remains hungry until the noon feeding period we have completely lost our best teaching period for him. It has been our observation that those who have breakfast accomplish much more in many ways. All of our 199 Breakfast Programs operating last year in Louisiana have been a great success. We therefore appreciate any effort

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on the part of the Congress and the Department of Agriculture in expediting the proper and complete funding of the Breakfast Program along with all other food service program needs.

With best wishes, I am
Sincerely,

R. J. STOKER,
State Director, School Food Services and Food Distribution.

MAINE

STATE OF MAINE,
EXECUTIVE DEPARTMENT,
DIVISION OF ECONOMIC OPPORTUNITY,
Augusta, Maine, August 26, 1971,

Mr. EDWARD HEKMAN,
*Administrator, U.S. Department of Agriculture, Food and Nutrition Service,
Washington, D.C.*

DEAR MR. HEKMAN: I wish to express concern about the proposed revisions of the National School Lunch Program as listed in the Federal Register, August 13, 1971. It appears to me that these revisions would tend to reduce funds available to those states with high percentages of disadvantaged children. It is my understanding that the intent of the Congress has been to give special assistance to those states which have a high percentage of low income families participating in the School Lunch Program.

Maine is one of those states. At least 30 percent of the total percentage of meals served go to those children qualifying for reduced-priced meals. School budgets are fixed for the current year, and if these regulations become effective September 1, many schools in the state will be unable to absorb the difference of the cost of the lunch and the reimbursement rate, and poor children will suffer.

I urge you to review the regulations with a view toward establishing a more equitable formula which will meet the needs of all children.

Sincerely,

HERBERT S. SPERRY, *Director.*

MAINE SCHOOL ADMINISTRATIVE DISTRICT No. 33,
Frenchville, Maine, August 30, 1971.

Hon. GEORGE MCGOVERN,
*Chairman, Committee on Nutrition and Human Needs, U.S. Senate, Washington,
D.C.*

DEAR SENATOR MCGOVERN: I have been informed that hearings will be held next week by your committee.

Knowing that hunger exists in every part of this country, I commend your efforts at attempting to work out some equitable legislation that would help to meet the needs of all children—whether they come from low or middle or high income families. Malnutrition is not the exclusive domain of the economically deprived families. This is where free nutritious meals for ALL children of school age would be a tremendous stride in the right direction in our fight against malnutrition.

In my particular case, most of the parents of our 850 boys and girls are at present not able to meet the costs of daily school lunches. The District is being as generous as possible but it is a small, poor district and its resources are not greater than those of the people it wants to serve.

It is my hope that we will soon get the proper legislation that will allow all of our pupils—rich or poor—to stand in line and receive an adequate meal day after day during the school year. This is not welfare. It is justice. It is sharing in this country's great wealth and its great promise.

Sincerely,

GUY K. BAKER.

STATE OF MAINE,
DEPARTMENT OF EDUCATION,
Augusta, Maine, August 31, 1971.

Senator GEORGE MCGOVERN,
U.S. Senate, Select Committee on Nutrition and Human Needs,
Washington, D.C.

DEAR SENATOR MCGOVERN: Thank you for sending me a copy of your letter to the Secretary of Agriculture in which you request the withdrawal of proposed regulations to the National School Lunch Act.

I especially wish to call to your attention the following points:

1. *Legality of Proposed Regulations.*—The USDA proposes with these revisions to circumvent the intent of Congress and the letter of Sections 4 and 11 of the Act. Section 32 would supplement the initial allocations under Section 4 and 11 with funds apportioned on the basis of participation only, yet both of these Sections consider the need factor in the apportionment formula.

(Section 4—"Apportionment (of cash-for-food assistance) among the states shall be made on basis of two factors: (1) the participation rate for the state, and (2) the assistance need rate for the state.

Section 11—"The amount (of special assistance funds) apportioned to each state shall bear the same ratio to the total of such funds as the number of children in such states aged 3 to 17, inclusive, in households with incomes less than \$4,000 per annum has to the total number of such children in all states.")

That Section 32 funds are intended to assume the identity of the section to which they are transferred is attested by the regulation requiring states to meet the matching requirement of Section 4 including any funds transferred into Section 4.

If not illegal, the regulations are certainly inconsistent.

2. *Effect of Proposed Regulations.*—The regulations were designed to assure every state (1) an average 5¢ per meal for each Type A meal served in 1972; (2) 30¢ for each free or reduced price meal. However, states with incomes below the national average that under the Act would receive 6¢ or more per meal under Section 4 would not be able to maintain that level if any increase in participation were experienced. Any increase in such state would push the average per meal reimbursement down toward the five cent floor. This is serious but is not as potentially crippling to the program as the average 30 cent ceiling on free and reduced price meals. Although 11 was specifically designed to assist states with a high percentage of low income families under the proposed revisions low income states would receive no special consideration. All states would be held to an average of 30¢ per meal for meals served children qualifying for free or reduced price meals.

3. *Effect of Proposed Revisions on Maine Schools.*—With economic conditions prevailing statewide, we cannot in Maine rob Peter to pay Paul; that is, we will have to use the 30¢ rate statewide. With the average cost of a lunch exceeding 52¢, local communities cannot afford to serve children qualifying for free and reduced price lunches, especially as reduced price meals amounted to less than 15% of those served free and at reduced price.

In May, 1971, Maine public schools served 2,071,625 meals. Of these 30.03% were free or reduced price (20¢ or less). And of the free and reduced price meals 85.85% were free. Computing reimbursement of the free and reduced price meals served in Maine in May on basis of proposed revisions, indicates that Maine schools would have had to absorb a loss of over \$78,800 for one month's operation alone! It is obvious that the majority of the schools cannot provide free lunches under the reimbursement structure set forth in the proposed regulations.

4. *Timing.*—It is unreasonable to expect these, or any other amendments that so seriously affect the program, to become effective upon publication with no provision for an adjustment period.

With budgets established in March and free and reduced price policies, in July, Maine schools at this point cannot provide free and reduced price meals to qualifying children at the proposed levels of funding.

We are most grateful to you for your interest in expanding the program to reach all children. We especially appreciate your quick response to this crisis situation.

Sincerely,

Miss GERTRUDE GRINEY,
Director, School Nutrition Programs.

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[Telegram]

BATH, MAINE, September 7, 1971.

Senator GEORGE MCGOVERN,
U.S. Senate
(Select Committee on Nutrition) Washington, D.C.:

Sincerely urge that basis of school lunch subsidy remain as intended hand planned. Our main schools unable to comply with announced policy.

Family plans disrupted will create poor atmosphere such a proposed turn around of support will surely backlash to the detriment of even greater numbers of children cannot understand such gross disregard for local problems.

CLIFFORD P. TINKHAM,
President, Maine School Superintendents Association of Bath.

SCHOOL ADMINISTRATIVE DISTRICT No. 63,
SCHOOL ADMINISTRATIVE DISTRICT No. 26,
East Holden, Maine, September 2, 1971.

Senator GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs, U.S. Senate,
Washington, D.C.

DEAR SENATOR: The school lunch authorities tell us to give a lot of children free or reduced rate lunches. This we are trying to do. Without this subsidy we are getting for this, we will have to stop feeding these lunches or close down our lunch programs completely. The people in our towns are paying high taxes now and, if we do not get this subsidy we would either have to ask them for more money to run the school lunches or close them down altogether.

Our state law says to feed free lunches. We cannot without this extra help.
Very truly yours,

RUBY M. HALL,
Supervisor, School Lunches.

CARAVEL JUNIOR HIGH SCHOOL,
Carmel, Maine, September 3, 1971.

Senator GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs,
U.S. Senate, Washington, D.C.

DEAR SIR: We have just recently been made aware of the fact that Federal Subsidy for School Lunches have been drastically reduced. We are of the opinion that this will result in serious consequences and intolerable conditions as it pertains to impoverished, hungry youngsters as well as the financial aspects of the total lunch program in our particularly poor rural area.

We admonish you therefore to use every bit of influence at your command to bring about at least a level of funding comparable to that which existed during the latter part of school year 1970-71. We will support your endeavor and we thank you sincerely.

Sincerely,

NORMAN P. SOUCIE,
Superintendent of Schools.

SCHOOL ADMINISTRATIVE DISTRICT No. 31,
Howland, Maine, September 3, 1971.

HON. GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: On behalf of the people in the area covered by School Administrative District No. 31—eight rural towns, only one of which has an industry (and employment there has recently been drastically reduced) this letter is to request that the subsidy rates on free, reduced price, and regular meals not be lowered from May figures. To do so would impose such hardship

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that it might mean the program would have to be closed during the school year. Anything you and your committee can do to help will be greatly appreciated by all parents, school and lunch employees, and last, but not least, the students.
Sincerely,

OTIS A. ST. THOMAS, *Superintendent.*

OXFORD HILLS SCHOOL DISTRICT,
FOOD SERVICES DEPARTMENT,
South Paris, Maine, September 17, 1971.

Senator GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: It has come to my attention the question of the proposed Regulation Federal Register August 13, 1971 in question of school lunch program.

Let me assure you we are in an area of high unemployment and our district needs the federal assistance of the past if it is to continue its school lunch program. Any cut back in federal funds will no doubt close our program to needy and hungry children.

Sincerely,

STEPHEN W. TAYLOR, *Director.*

MAINE SCHOOL ADMINISTRATIVE DISTRICT No. 48,
Newport, Maine, September 20, 1971.

Senator GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs,
Washington, D.C.

DEAR SENATOR MCGOVERN: I am writing concerning the proposal to reduce the government subsidy for lunches being served in our schools.

We have been faced with budget reductions of \$200,000 out of \$1,500,000. The loss of lunch subsidy at its current rate would mean approximately \$32,000 to this district. I am afraid that it would be necessary to close our lunch program if current funding is not available because it would create deficit spending.

Thank you for your consideration.

Sincerely,

HARTLAND L. JUSHMAN,
Superintendent of Schools.

SCHOOL ADMINISTRATIVE DISTRICT No. 36,
Livermore Falls, Maine, September 20, 1971.

Senator GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SIR: Yesterday I learned that the Agriculture Department has cut the funds for the School Lunch Program for this year. I understand the funds are there and can be used for this purpose.

We feed a thousand children a day and our lunch program is not operating in the black even with a local subsidy. With our tax rate at forty-two mills, on full valuation, it will be impossible to seek these funds from local sources. Hence, it boils down to the fact that without federal funding at last years level, as a minimum, we will have to suspend operation and this will mean that a lot of our children who depend on this as their major meal of the day will go without.

If the money were not appropriated, and additional funds were being sought, I could understand the problem, however, with the funds available and held up in some department, this I can not understand.

I know you will do all you can to alleviate this problem and I thank you in advance for anything you can do.

Sincerely,

RICHARD E. A. MARX, *Superintendent.*

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MASSACHUSETTS

SCHOOL SUPERINTENDENCY UNION No. 29,
Lee, Mass., September 28, 1971.

HON. GEORGE S. MCGOVERN,
The U.S. Senate,
Washington, D.C.

DEAR SENATOR MCGOVERN: The recent announcement that school lunch reimbursement will be cut back will jeopardize many of the existing school lunch programs and most certainly will curtail any expansion of such programs.

In this day of high inflationary trends the cut back merely adds another burden on the already sickened home owner. In many cases, the immediate reaction to the announcement of a possible cut back in reimbursement is that we should end all lunches in the schools. If, as the government insists, school lunches are an important and integral part of any school system and if school systems are to encourage more participation by offering free or reduced priced lunches, than more financial help, rather than less, must be forthcoming.

Many school systems that are having a difficult time housing youngsters educationally are being prodded to develop facilities or programs to feed youngsters. No community, under present conditions, will proceed in this direction.

I know I speak for literally hundreds of parents, and many administrators when I urge your support of state and city lunch programs by asking the USDA to drop its proposed regulations.

Thank you for your kind patience and understanding.

Very sincerely,

MAURICE J. BOULANGER, *Superintendent.*

MICHIGAN

DETROIT PUBLIC SCHOOLS,
DIVISION OF BUSINESS AFFAIRS,
DEPARTMENT OF FOOD SERVICE,
Detroit, Mich., August 26, 1971.

Re Proposed changes in Regulations (7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 245).

MR. HERBERT D. ROREX,
Director, Child Nutrition Division, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. ROREX: We have carefully reviewed the proposed changes in regulations pertaining to the National School Lunch Program, Non-Food Assistance Program, and Determining Eligibility for Free and Reduced Price Lunches. We find nothing in these proposed changes that would lead us to believe that the U.S. Department of Agriculture is in any way attempting to follow the intent of the Congress in its passage of Public Law 91-248, namely, to provide food service to needy children. In fact, if our understanding of the proposed changes is correct, they will nullify much, if not all, of the progress that we have made during the last eighteen months.

It is extremely difficult for us to understand why the Department has waited until such a late date to make these proposed changes. We know that changes in the regulations have been under consideration for some time as I was a member of the committee that met in March, 1971 to review the regulations and recommend changes. Unfortunately, few, if any, of the recommendations that were made by the committee are contained in the proposed changes. The proposed changes, if allowed to stand, will decrease the amount of federal money received by Detroit, at a time when it is being recommended that we liberalize our income guidelines for free lunch, and there is a high rate of unemployment in Detroit. Classes will start September 8. We are in the process of signing a new agreement with the State, yet no one can tell us what rate of reimbursement

we will receive. How then do we determine the cost of continuing this program for a Board of Education, that is already deeply in debt and is extremely reluctant to go further in debt. They have made many cut backs in the educational program and if relief is not forthcoming they will have to consider further cut backs. With the course of action that the Department of Agriculture is taking at this time, it is a certainty that the school lunch program will be carefully reviewed if further decreases in Board of Education expenditures are required.

In the last seven years we have increased participation from 24,000 Type A Lunches a day in 98 locations to 91,000 per day in 269 locations. In June, 1971, 61% of the total lunches served were served free or at a reduced cost compared to 4% of the total participation that were served free seven years ago. Yet we are only reaching about 45,000 of the estimated 127,000 needy children enrolled in the Detroit Public Schools. We still have about 50 schools without food service. None of them are located in the so-called poverty areas, but without a doubt they all have some needy children enrolled.

During the 1968-69 and 1969-70 school years we experienced a loss in the operation of the Food Service Department in excess of \$500,000. Preliminary reports from the Accounting Department indicate that during the 1970-71 school year we lost less than \$25,000. Our prices and menu pattern have remained unchanged since 1967, and our costs have increased. There is no question but that the increased federal funds that we received last year substantially contributed to the decrease in our loss. However, even though we added lunch programs in 60 schools last year we have developed a cost analysis program that has helped identify excess costs and will permit further cost reductions. Unfortunately, not to the extent that will be required if the changes that have been proposed are finalized in their present form.

In making specific comments on the proposed changes we avoid direct comment on apportionment of funds to States as this is not one of the areas that we deal with. It stands to reason, however, that unless sufficient monies are apportioned to the State it will not be possible for the State to grant sufficient funds to the school districts. An average of 5¢ of general cash-for-food assistance and 30¢ for each free or reduced price Type A lunch served during the year, will not permit the State to continue our current level of reimbursement without drastically reducing levels of reimbursement in other districts. Drastic cuts in levels of reimbursement for other districts will drive them out of the program, as it also will Detroit. If this happens the base on which the federal payments are based will be eroded and maintenance of current levels will become more difficult. In the process, confidence in feeding programs will also be eroded. If this happens all of the progress that has been made during the last few years, will be reversed and the programs may never recover from this set-back.

We are in general agreement with the principle that is trying to be accomplished with the addition of paragraphs (b-1), (b-2) and the addition of paragraph (c).

We are assuming that in paragraph (d) that school district could be substituted where the word *school* is used. If not, we would recommend this change. We know that in certain schools we are losing money by nature of a low membership as participation will never come close to the number needed to break even. Yet the school is located in a poverty area and we would be in violation of a Federal Court Decree if we didn't provide service to these schools.

We feel confident that on a district basis we would have no trouble meeting the criteria set forth to obtain more than 30¢ for free and reduced price lunches. However, unless the State receives sufficient funds to grant us this additional reimbursement without detriment to other districts, it does us little good to qualify. There was a time when we could accept a verbal commitment that the funds would be forthcoming, but after the summer feeding funding fiasco, we doubt if this will be possible again. It is for this reason that we are very much concerned with the unrealistic funding ceilings proposed, even though it may be possible for a State to receive additional funds later in the year. We are afraid that needed funds would arrive too late to be of any value in starting or expanding programs and that this feature has a built in self-destruction factor that will in time destroy the program.

We had some difficulty in understanding the following sentence "*and provided, further, that such combined rate of reimbursement shall not exceed 50 cents for each such Type A lunch unless the number of free Type A lunches being served in the school [district?] represents at least 90 percentum of the total number*

of free and reduced-price Type A lunches served". We finally determined that what is being said is that a district or school will not be able to receive the same rate of reimbursement for free and reduced price lunches, if this rate is higher than 50 cents unless the free lunches served constitute 90% of the total free and reduced price lunches served.

If our understanding is correct we will have a problem in our Astro-Pack or cold lunch program. This program has served as an emergency program for us and has allowed us to provide food in fifty-six schools to 12,000 students; it has permitted us to provide service now, with a minimum expenditure for equipment, and regard for adequate facilities in a school. It is, however, a more expensive program to operate, as we are contracting with a food management firm for the lunches and additional funding will be required if the program is to continue to operate. We don't understand why the State's flexibility should be curtailed in these areas.

If there are abuses in this area, then they should be dealt with on an individual basis. When these abuses are handled by a broad change in flexibility some good as well as some poor programs are destroyed in the process. Paragraphs (d-1) and (d-2) would be alright if adequate funds are provided, however, past experience indicates that this is very seldom the case. For this reason we believe, even though supplemental appropriations are not desirable, they provide a better solution to the problem, if continued growth of the program is a goal of the U.S. Department of Agriculture.

In reviewing the proposed changes for Non-Food Assistance, we find them most unrealistic. We know that each year the income guidelines for free lunches will be broadened. This of course, will mean increases in the number of lunches served in existing schools, and we need the flexibility of meeting these increased needs when they occur, and not six months later. Further, we have established the Astro-Pack program as an expedient way to provide food service. Yet, it is a temporary program and we want to move to convert these schools to hot lunch programs as facilities and funds permit.

Again, it seems that the Department is moving to correct abuses to the program by curtailing the flexibility of all State Directors, rather than dealing with specific abuses. We believe that this is a dangerous practice, and should be avoided.

The changes proposed in Part 245 Determining Eligibility for Free and Reduced Price Lunches, does not affect us. However, it would seem that, in this area, more would be gained if the U.S. Department of Agriculture were to specifically spell out and define in concrete terms what is meant by "reasonable basis". In fact, much of the trouble in this area could have been avoided if this would have been done two years ago.

In summary, we would strongly urge that the U.S. Department of Agriculture withdraw the proposed changes, at this time. We believe that changes that will not be effective until after the programs have started will be extremely detrimental to the program. If the goal of the U.S. Department of Agriculture is to stabilize the funding of the program and increase its growth, then the change of regulations at this time is in direct conflict with the stated goals.

Sincerely,

HOWARD W. BRIGGS, *Director.*

DETROIT PUBLIC SCHOOLS,
DIVISION OF BUSINESS AFFAIRS,
DEPARTMENT OF FOOD SERVICE,
Detroit, Mich., August 31, 1971.

HON. GEORGE MCGOVERN,
*Chairman, Select Committee on Nutrition and Human Needs, U.S. Senate, Senate
Office Building, Washington, D.C.*

DEAR SENATOR MCGOVERN: Thank you for sending me a copy of your letter to Secretary Hardin, dated August 24, 1971. We are in complete agreement with your request, and in our response to Mr. Rorex, we have urged the withdrawal of the proposed changes.

However, in trying to determine the present action that we should take, I realized that over-reaction to the proposed change could be as destructive to the program as the changes themselves. This will be true even if the Department withdraws the changes in the regulations. In effect, we have a "heads we win—tails you lose" proposition for the Department of Agriculture.

We, therefore, are attempting to react to the possible changes in a reasonable manner. I am recommending that we proceed in adopting income guidelines based on the rates of reimbursement that we were to receive before any proposed changes were made. This action is based on the assumption that reimbursement rates cannot be decreased until we receive sixty days notice. If this assumption is correct, and the Department doesn't come up with loop-holes, then we should have ample time to react to any changes. Under the circumstances, I believe it is the only correct course of action we can take. Hopefully, I will be able to convince others that it is the correct course of action.

However, let there be no mistake, if our reimbursement rates are decreased, we will scale back our program in direct proportion. When a school district is in debt, and is considering possible further cut-backs in its educational programs, we will have no choice in the matter.

The enclosed material represents my personal responses to the proposed changes in regulations, and an information questionnaire for the ASFSA as to the effect of the changes. I am sure that you will be furnished with a complete summary by ASFSA.

Sincerely,

HOWARD W. BRIGGS.
Chairman, Major Cities Directors Section.

CITY OR STATE DETROIT PUBLIC SCHOOLS

Question 1. How much did it cost to produce a Type A lunch during the 1970-71 school year? Do not include the value of USDA donated commodities.

Answer. 64¢.¹

Question 2. How many free or reduced price lunches did your State or School System serve during 1970-71 school year? (\$2,549,459.20)

Answer. 5,800,657.

Question 3. How many free or reduced price lunches do you expect to serve this year (1971-72)?

Answer. 7,000,000.

Question 4. What would have been the loss per meal during last year (1970-71) if you had received only 35¢ federal reimbursement for free or reduced price lunches? (44¢ ave. —35¢=\$.09)

Answer. \$.09 per lunch or \$522,059.13/yr.

Question 5. How much money will your State or School System lose in 1971-72 if you receive only 35¢ federal reimbursement for free or reduced price lunches? (55¢²—35¢=20¢×7,000,000)

Answer. 20¢ per lunch or \$1,400,000.00/yr.³

LIVONIA PUBLIC SCHOOLS,
August 31, 1971.

Senator GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs, Senate Office,
Washington, D.C.

DEAR SENATOR MCGOVERN: This letter concerns the proposed changes in regulations cited in *Notice of Proposed Rule Making* published in the Federal Register August 13, 1971.

In S. 210.4—paragraph (f) it states each Type A shall be reimbursed 5¢ from Section 4 apportionment and 30¢ maximum for free and reduced price meals from Section 32 special assistance funds.

We in Michigan feel that because of high production costs, the minimum reimbursement should be 6¢ for Type A and 40¢ for free and reduced price meals.

With this more realistic funding we would be able to serve the needy of the school district.

Sincerely,

GERALDINE TOBIN,
Director of Food Service.

¹ Weighted average cost: Elem. \$.47×1.0=\$.47; Jr. High .57×.5=.285; High .67×.5=.335; .1090=.545=\$.55¢; Value of commodities +.09=\$.64.

² Rate of reimbursement agreed to prior to proposed change.

³ Our Board could not absorb this loss so we would have to cut back the program. It will also be necessary to request permission for a price increase of at least 7¢ per lunch if the rate of reimbursement is cut to 5¢.

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PLYMOUTH COMMUNITY SCHOOL DISTRICT,
Plymouth, Mich., September 3, 1971.

Re/Request for consideration of increased Section 32 school food service funds.
Senator McGOVERN,
*Senate Office Building,
Washington, D.C.*

DEAR SENATOR MCGOVERN: \$4,552,220 comes off the top of Section 32 funds available for the 1971-72 fiscal year for use by Puerto Rico, Virgin Islands, Guam and American Samoa.

The remaining amount is available for distribution to other states as follows:

(a) 5¢ times the number of lunches served above the base number

(b) 30¢ times the number of free or reduced price lunches served above the base number

● The base number for (a) is determined by dividing the original Section 4 apportionment for the state by 5¢

● The base number for (b) is determined by dividing the original Section 11 apportionment for the state by 30¢

It is our considered judgment the reimbursement rates listed above (5¢ and 30¢) are too low and should be 6¢ and 40¢ respectively.

For your consideration—thank you.

Respectfully,

MELVIN I. BLUNK,
Assistant Superintendent, Business.

NEBRASKA

STATE OF NEBRASKA,
DEPARTMENT OF EDUCATION,
Lincoln, August 11, 1971.

Hon. GEORGE MCGOVERN,
*U.S. Senate, Senate Office Building,
Washington, D.C.*

DEAR SENATOR MCGOVERN: I have been informed by USDA that you requested a copy of our state plan and that they supplied it. Because of this and your desire to have children fed I feel it is necessary to inform you of recent developments in Nebraska.

In our state plan we proposed to start new programs in 31 schools. At that time we felt that was a conservative, but safe, estimate. Since submitting the plan we had been encouraged to the point that we thought that number might be increased to 45 or 50. Then on Friday, August 6, 1971, USDA dropped a real bomb shell on us at the State Directors Workshop in Minneapolis where they informed us of their proposed revision of program regulations. If these proposals are adopted, the number of new programs in Nebraska this year will probably drop to ten, or less. Their proposed regulations make it impossible for the state to use the money the Congress has appropriated. There is no question on the part of the state directors but that such is the intended purpose of the proposals.

We have been in touch today with the administrators in most of the schools we have promised to assist with new programs this year. Grand Island has been approved to start eleven new programs—all of their elementary schools—but will cancel all of them. Columbus will do the same with all nine of their elementary schools which we had already approved. Blair will cancel out their three elementary schools. Others from whom we do not yet have applications, but where serious consideration was being given to starting programs includes eight elementary schools at Norfolk, eleven at North Platte, nine at Fremont, five at South Sioux City, and the K-12 school at Crawford. None of these will give further consideration to this.

It is not only that we will not start these new programs under the proposed regulations, but we are likely to lose several existing programs and will feed fewer children from low income families than we did last year. We do not believe

these are idle threats on the part of administrators and school boards. We believe, instead, they are serious, and will convert to a la carte programs to serve only those who can pay. The financial condition of most schools is critical. They can no longer chance operating a program that will add to their financial burdens.

If the proposed regulations are permitted to become effective, our school administrators will lose all of the confidence they have ever had in the federal government. I would predict there will *never* be feeding programs in the elementary school at Grand Island, North Platte, Columbus, Fremont, Norfolk and South Sioux City if this happens.

It is our sincere hope that you and other Senators and Congressmen can prevent the adoption of the proposed regulations and that we in the states and schools can get back to our job of feeding children.

A copy of this letter will be sent to Congressman Perkins for his information.

Sincerely yours,

ALLEN A. ELLIOTT,
Program Administrator, School Food Services.

NEW MEXICO

STATE OF NEW MEXICO,
DEPARTMENT OF EDUCATION,
Santa Fe, September 2, 1971.

GERALD CASSIDY,
General Counsel, Select Committee on Nutrition and Human Needs, U.S. Senate Annex, Washington, D.C.

DEAR MR. CASSIDY: Due to the proposed funding structure, the outlook for New Mexico school lunch programs grows dimmer and dimmer as the school year progresses. The New Mexico School Food Service Division, as well as the State Department of Education, is increasingly concerned and has expressed this concern to New Mexico congressional delegations and officials of the United States Department of Agriculture.

Since many schools have already opened, this office has received indications from several districts that they will be forced to close their lunchrooms if the proposed funding structure is approved.

Farmington, for example, is located in the northwest corner of the state and during 1970-71 served some 3350 Type A lunches each day of which about 320 were to Indian children. Prior to the beginning of school, the Farmington Board of Education voted 2 to 2 to discontinue the lunch program. Fortunately, the tie was broken by the chairman. This precarious position could very well be altered if the proposed regulations are approved.

The Albuquerque Public School district, serving an average of 75,000 lunches per day, estimates it will have a loss of 2.19 cents per meal if the proposed funding is approved. An official of the Albuquerque system has publicly stated the program will be discontinued when school lunch funds decline to an accrued cash balance of one month or less.

The superintendent of the Gallup school district, which serves more than 9,000 lunches per day of which some 5,400 are to Indian children, stated in a newspaper article recently that the district might be able to continue the lunch program until February 1, 1972. He reported last year's cost per lunch was 53.6 cents and estimated the cost per meal under the "freeze" would be 55 cents. After the "freeze" he said that cost could very well go to 57 cents.

Since we have received this shocking evidence of district intentions under the proposed funding, we have mailed copies of the attached letter to 21 representative districts, about one-fourth of them, throughout the state. We will pass along to Louise Frolich a composite of the results we receive, and will be happy to supply any additional information you may require. Our telephone number is 505-827-2591.

Sincerely yours,

(Mrs.) GRETCHEN Y. PLAGGE,
Director, School Food Services.

STATE OF NEW MEXICO,
DEPARTMENT OF EDUCATION,
Santa Fe, September 10, 1971.

Attention: Miss Louise A. K. Frolich.

Dr. JOHN PERRYMAN,
Executive Director, American School Food Service Association,
Denver, Colo.

DEAR MR. PERRYMAN: As a result of inquiries made this past week among a broad sampling of school districts in New Mexico, we have calculated some of the most significant affects which this year's cutback in school lunch program funding will have upon the National School Lunch Program in New Mexico.

I sent a letter on September 1, 1971, to 22 representative districts of New Mexico asking specific questions of superintendents as to the outlook for the current school year in light of present funding regulations. As of today, September 10, we have received 15 responses. The statistics given here will give an indication of the scope of the problem for the State of New Mexico.

The 15 schools who have responded to this request are: Albuquerque, Belen, Bernalillo, Carlsbad, Shiprock, Clovis, Grants, Gallup, Las Cruces, West Las Vegas, Lovington, Penasco, Santa Fe, Socorro, and Springer. These 15 districts represent a broad cross section as to size, number of needy children, geographical location, and participation in the program. This represents about 12 percent of the total number of participating districts (public and non-public) in New Mexico.

The following questions were asked and the answers represent the totals for these 15 districts:

1. Q. How many school lunches do you estimate will be served this year?

A. In the 15 districts, 17,556,000 meals will be served.

2. Q. How many needy children will be served this year compared to last year?

A. An estimated 47,490 needy children will be served this year in these districts. This represents an increase of 9,243 children over last year. The primary reason for this increase is because of the liberalized guidelines issued by the Secretary of Agriculture. In addition, some increase should be due to the fact that the program has been in operation for one year and increased publicity would bring in more applications.

3. Q. How much do you estimate total reimbursements will be decreased this year under the proposed funding compared to last year's total?

A. In these 15 districts a total decrease in funding will come to \$610,000.

4. Q. Using May prices for food, what do you estimate each lunch will cost this school year?

A. An average food cost for the 15 districts is \$.45 for the current school year.

5. Q. How long do you estimate the district can continue the lunch program under the proposed funding?

A. Most of the 15 districts indicated that they could operate the program until December or January of the current school year. One district indicated that they thought they could "barely" complete the current school year, without any funds left with which to open the operation a year from this fall. The earliest termination dates given were December of 1970. These dates were given by Albuquerque and Santa Fe.

6. Q. If the lunch program ceases, where would the children eat or would they have lunch?

A. The districts answered that the large number of needy children in their district would probably go without any lunch at all. They also said that provision of snack bars and a la carte service would provide some food service for those who could afford to buy. Most of the districts indicated that long bussing distances would make even the sack lunch impractical because of the long period which the lunch would have to sit in an unrefrigerated area before the noon hour period.

7. Q. If the lunch program ceases, how many employees would be affected?

A. In the 15 districts responding, there are 1,427 employees who would face unemployment and possibly return to welfare assistance in some form.

8. Q. If the lunch program ceases, how will this affect the economy of your community?

A. The 15 districts answering this inquiry stated that the annual input into the local communities would amount to \$7,076,543. This money then would be taken out of the community economies and would cause a severe threat to the stability of many businesses now depending upon this income.

Many further observations and conclusions could be drawn from the additional information provided by superintendents in their letters; however, the statistics given should indicate the gravity of this current situation.

It is obvious from the information given that school districts *cannot possibly* meet the \$.45 food cost with a \$.06 reimbursement from Section 4 and a \$.30 reimbursement from Section 11 and 32 monies.

I hope this information will be of assistance to you in considering further action to appeal for reconsideration of funding plans for the 1971-72 school year.

Very sincerely yours,

Mrs. GRETCHEN Y. PLAGGE,
Director, School Food Services Division.

Enclosure.

NATIONAL SCHOOL LUNCH PROGRAM

WHAT IT IS

The National School Lunch Program is a grant-in-aid program of Federal assistance to the States. It helps provide, through cash reimbursements and donated food, nominally priced, wholesome, appetizing lunches to the Nation's school children every school day. These lunches make an important contribution to good nutrition, vital to both mental and physical growth during a child's formative years. For those unable to pay the regular price, usually those for whom a balanced lunch is especially important, lunches are provided free or at a reduced price. At the same time the program fills vital nutrition needs, it educates children in proper diet.

HOW IT STARTED

Providing lunches in school is not a new concept. The first known school feeding operation in the United States began in 1853. By the turn of the century several cities were operating "penny lunch programs" in elementary schools. It was not until the early 1930's, however, that the Federal Government initiated a food assistance program to schools. This was the beginning of a chain of events which eventually led to the passage of the National School Lunch Act of 1946, thereby establishing school food service as an integral part of the U.S. educational system.

Specifically, the Congress declared that the objective of the 1946 National School Lunch Act is "to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of nutritious agricultural commodities and other food."

WHO IS ELIGIBLE

All public and nonprofit private schools (such as parochial, sectarian, and denominational schools) of high school grade or under may apply for the program. In order to obtain Federal aid, schools agree to:

Operate the lunch program on a nonprofit basis for all children regardless of race, color, or national origin;

Provide lunches free or at a reduced price to children who are determined by local school authorities following minimum Federal guidelines to be unable to pay the full price of the lunch. Children receiving free or reduced-price lunches must not be so identified, nor otherwise discriminated against;

Serve nutritious lunches that meet the requirement for Type A lunches as established by the Secretary of Agriculture.

THE TYPE A LUNCH

The Type A lunch is designed to meet at least one-third of the daily dietary allowances recommended by the National Research Council for 10- to 12-year-old boys and girls. The Type A pattern includes as a minimum:

1. One-half pint of fluid whole milk as a beverage.
2. Two ounces (edible portion as served) of lean meat, poultry, or fish; two ounces of cheese; or one egg; or one-half cup of cooked dry beans or peas; or four tablespoons of peanut butter; or an equivalent quantity of any combination of the above-listed foods. To be counted in meeting this requirement,

these foods must be served in a main dish, or in a main dish and one other menu item.

3. A three-fourths cup serving consisting of two or more vegetables or fruits, or both. Full-strength vegetable or fruit juice may be counted to meet not more than one-fourth cup of this requirement.

4. One slice of whole-grain or enriched bread; or a serving of cornbread, biscuits, rolls, muffins, etc., made of whole-grain or enriched meal or flour.

5. One teaspoon of butter or fortified margarine.

WHO OPERATES IT

The School Lunch Program is essentially a community effort. Local school authorities and interested local citizens operate lunchrooms in their community schools throughout the country. The Food and Nutrition Service of the U.S. Department of Agriculture administers the program in cooperation with State Departments of Education which, in turn, enter into agreements with the schools for the operation of the program. In a number of States, the State Departments of Education cannot administer the program in private schools. In those States, such schools may apply for participation directly to the Food and Nutrition Service Regional Offices.

FEDERAL ASSISTANCE TO THE PROGRAM

Cash

Federal funds for the School Lunch Program are apportioned among the States to be used in reimbursing schools for part of the cost of the food they purchase. The amount of money each State receives is determined on the basis of two factors: (1) school lunch participation in the State, and (2) per capita income for the State. For each lunch served meeting program standards schools receive reimbursement according to their need as determined by their State agency, of FNS Regional Office where applicable. In addition, special cash assistance is provided to help bear the cost of free and reduced price lunches. In cases of extreme need up to 100 percent of the cost of food service operation, provided that it does not exceed 60 cents per lunch, may be reimbursed. Federal funds used in a State for reimbursing schools must be matched with funds from sources within the State . . . including State and locally appropriated funds, children's payments, donated goods and services, etc. . . . at the rate of three dollars for each Federal dollar.

Food

Approximately 80 percent of the food used in the School Lunch Program is purchased by schools on the local market. Foods acquired by the U.S. Department of Agriculture under its farm programs are generally available to all eligible nonprofit school lunch programs. The variety and quantity of these foods donated to schools depends on the kinds and amounts in Government inventory and on whether they can be used effectively.

Administrative Aid

Both Federal and State personnel are available to provide administrative and technical assistance and to advise local managers on operating individual school lunch programs. Up to one percent of the total program funds are available for nutritional training and education for workers, cooperators, and participants in the program. Also, USDA may reserve up to one percent of the funds available for apportionment to the State to carry out special developmental projects.

HOW TO GET MORE INFORMATION

While the School Lunch Program is now available to a majority of children, it is not yet established in many schools and many areas where the need is greatest. Federal, State, and local authorities stand ready to help communities and schools provide lunch service for all children. The School Lunch Program is one of several inter-related activities of USDA aimed at helping needy people to improve their diets. Help is also provided for schools wanting to start breakfast service and provide extra milk for their students, under the Child Nutrition Act of 1966. Details of all USDA child feeding programs are in a publication, *Child Nutrition Programs, PA-948*, which may be obtained from Office of Information, USDA, Washington, D.C. 20250.

For additional information on all these school feeding activities, public and nonprofit private schools should write to the State educational agency in their capital city.¹

In the following States the State educational agency is not permitted by law to administer the program in nonprofit private schools; therefore, applicants should write to the appropriate USDA regional office as listed:

NORTHEAST

Maine; New Jersey; Pennsylvania; West Virginia: Regional Office, Food and Nutrition Service, U.S. Department of Agriculture, 26 Federal Plaza, New York, New York 10007.

SOUTHEAST

Alabama; South Carolina; Tennessee; Virginia: Regional Office, Food and Nutrition Service, U.S. Department of Agriculture, 1718 Peachtree Road, N.W., Atlanta, Georgia 30309.

MIDWEST

Iowa; Michigan; Nebraska; North Dakota; Ohio; Wisconsin: Regional Office, Food and Nutrition Service, U.S. Department of Agriculture, 536 South Clark Street, Chicago, Illinois 60605.

SOUTHWEST

Arkansas; Colorado; Texas: Regional Office, Food and Nutrition Service, U.S. Department of Agriculture, 500 South Ervay Street, Dallas, Texas 75201.

WESTERN

Hawaii; Idaho; Montana; Nevada; Washington: Regional Office, Food and Nutrition Service, U.S. Department of Agriculture, 630 Sansome Street, San Francisco, Calif. 94111.

NATIONAL SCHOOL LUNCH WEEK

The Congress, by a joint resolution, has designated the seven-day period beginning on the second Sunday of October in each year as National School Lunch Week, and has requested the President to issue annually a proclamation calling for the observance of that week.

NORTH CAROLINA

CONCORD CITY SCHOOLS,
Concord, N.C., September 16, 1971.

HON. GEORGE MCGOVERN,
Senate Annex Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: During the 1970-71 school year, the Concord City Schools served 524,435 student lunches—979 reduced price, 417,377 paid, and 106,079 free. We received for the year a lunch reimbursement of \$71,291.66.

Under the regulations now out, the maximum reimbursements are 5¢ for paid lunches and 30¢ for free lunches. This will give us a reimbursement for the above figures of \$52,986.25.

This will mean a loss in reimbursement of \$18,305.41. The number of free student lunches is approximately 5% more this year so this means an even greater loss.

At this point, I cannot see how school lunch can operate with such a tremendous loss in funds.

I urge you to help us by any means possible to at least receive the reimbursement established last school year. We just simply cannot operate by increasing the number of free or needy lunches served and decreasing the funds available to do the job.

Very truly yours,

(Mrs.) JOHNSIE BEAVER,
School Food Service Director.

¹ Maryland State Agency is in Baltimore.

1832

ALBEMARLE CITY SCHOOLS,
Albemarle, N.C., September 27, 1971.

HON. GEORGE MCGOVERN,
Senator from South Dakota, Senate Annex Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: We are a small school unit struggling with our lunchroom feeding program and would like to request that you use all the strength at your command to bring about some changes in the position of USDA. We have recently been informed that our tentative reimbursement rate for the 1971-72 school year will be 35¢ for free and reduced-price lunches and 5¢ for paid lunches, a reduction of 1¢ each from the rate received last year. If the reimbursement rate is not increased, we will receive approximately \$4,000.00 less in reimbursement funds than we received last year; and our program last year was marginal.

It is rather ironical that USDA regulations would require us to encourage more children and parents to apply for free lunches and then reduce the reimbursement rate for the lunches. Our program to secure more applicants for free lunches has certainly been successful as evidenced by the fact that we have 37% more applicants for free lunches this September than last.

The average cost of producing a lunch in our school system is 40.4¢. If we receive the tentative 35¢ per lunch reimbursement for free lunches for the 1971-72 school year, it will be virtually impossible for us to continue to operate our lunchroom feeding program and provide free lunches for all needy children.

I have been in meetings with many North Carolina school administrators in recent days, and it seems we all face the same dilemma. We must look to you and the Congress for help in the matter. If you desire further information or need someone at the grass-roots level to testify regarding this matter, I shall be happy to do so.

We shall look forward to your help.

Cordially yours,

H. T. WEBB, Jr., *Superintendent.*

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 2, 1971.

Senator GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs,
New Senate Office Annex.

DEAR SENATOR MCGOVERN: It is my understanding your Committee will hold hearings next Tuesday, September 7, at which time the School Lunch Program will be discussed.

I believe the enclosed copies of letters from two counties in my District will be of interest to you. It is hoped the proposed changes by the Department of Agriculture will be delayed until it is finally determined every needy child will be fed for the entire school year.

Sincerely,

WALTER B. JONES,
Member of Congress.

LENOIR COUNTY PUBLIC SCHOOLS,
Kinston, N.C., August 31, 1971.

Re Proposed changes in Federal School Lunch Program—Special Assistance.

HON. WALTER B. JONES,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN JONES: During the 1970-71 school year, the Lenoir County School Cafeterias provided 487,305 free or reduced price lunches to deprived children. This was 46.5% of all lunches served and means that 2,721 hungry children received a Type A lunch each day. This would not have been possible had it not been for the United States Department of Agriculture's Special Assistance Program, which provided 45¢ reimbursement on free or reduced price lunches and 12¢ on each paid lunch.

1833

It has come to my attention today that the proposed changes in the United States Department of Agriculture regulations would restrict the use of allotted funds in meeting our needs to reach the hungry children of Lenior County and North Carolina. It is my understanding that, under the new proposal, the maximum reimbursement rate for special assistance will be 30¢ per lunch. This will seriously endanger our entire free and reduced price lunch program and place hungry students back in our classrooms!

We urgently need your support to return this program to a basis that will allow North Carolina to pay the full cost of the free and reduced price lunches for this school year.

Anything that you can do to help us will be more than appreciated.

Very truly yours,

ELIZABETH S. BRYAN,
Supervisor, Lenior County School Food Services.

ESEA OFFICE,
Winton, N.C., August 31, 1971.

HON. WALTER B. JONES,
*House of Representatives,
Washington, D.C.*

DEAR SIR: I am writing in protest of the new U.S. Department of Agriculture regulations restricting the use of allotted funds in meeting our needs in reaching hungry children in North Carolina.

The Federal Government has set up a program stating that we must feed every hungry child; then the Department of Agriculture cuts our funds drastically. With the proposed reimbursement of 5¢ for a paid lunch and 30¢ for a free lunch, our schools here in Hertford County will be in serious financial difficulty by Christmas.

In Hertford County, about 56% of our children eat a free or reduced price lunch. We charge 25¢ for a fully paid lunch so that more students can pay.

In the spring of 1971, our reimbursement was increased to 12¢ for a paid lunch and 45¢ for free lunch. We felt that this was adequate.

I beg you to consider this matter carefully before making your final decision.

Sincerely,

(Mrs.) ETTA HEATH,
School Food Services Supervisor, Hertford County.

BEAUFORT COUNTY BOARD OF EDUCATION,
Washington, N.C., September 2, 1971.

Senator GEORGE MCGOVERN,
*U.S. Senate,
Washington, D.C.*

DEAR SENATOR MCGOVERN: Thank you for your interest and concern for the National School Lunch Program.

We appreciate your awareness of our problems and we support the hearing you have called. RE: Proposed changes in regulating use of Federal Funds.

We strongly feel that this is a high priority if we continue to feed our hungry children free and reduced price lunches.

Attached is a copy of our letter to Mr. Herbert Rorex.

Sincerely,

GRAY HODGES, *Superintendent.*
(Mrs.) SARA F. CUTLER, *Nutritionist.*

Attachment.

BEAUFORT COUNTY BOARD OF EDUCATION,
Washington, N.C., September 2, 1971.

Mr. HERBERT ROREX,
*Director, Child Nutrition Service, USDA,
Washington, D.C.*

DEAR MR. ROREX: We are greatly concerned with the new proposed USDA regulations restricting the use of allotted funds in meeting our needs in reaching hungry children in North Carolina.

In Beaufort County we have tried to follow Public Law 91-248 in meeting the need for free and reduced price lunches for children qualifying under income standards established by USDA and the State Agencies.

PERCENT ADA SERVED LUNCHES

Year:		
1968-1969	79 percent	(25 percent free, 75 percent paid).
1969-1970	87 percent	(25 percent free, 75 percent paid).
1970-1971	87 percent	(32 percent free, 9 percent reduced, 59 percent paid).

If our reimbursement had been reduced from the present 12¢ and 45¢ to the proposed 5¢ and 30¢ based 70-71 participation we would have received \$87,475.90 instead of \$166,537.53 we did receive.

We have nine lunchrooms in Beaufort County and averaged feeding 4074 plates/da. in 70-71 for a plate cost of \$.437. Therefore, we see no way we could continue to serve the needy children with a reimbursement of 30¢.

Our present county-wide balance is .7 of a month's operating expenses. This program, we feel, deserves a high priority in Federal Funding.

Sincerely,

GRAY HODGES, *Superintendent.*
(Mrs.) SARA F. CUTLER, *Nutritionist.*

U.S. SENATE,
Washington, D.C., September 9, 1971.

Hon. GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs, U.S. Senate, Washington, D.C.

DEAR GEORGE: I am in receipt of a communication dated September 2, 1971, from Mr. Gray Hodges, Superintendent of the Beaufort County Board of Education, which has been co-signed by Mrs. Sara F. Cutler, Nutritionist of the Beaufort County Schools.

They express concern about the new proposed USDA regulations restricting the use of Federal funds which provide for the free school lunch program. I enclose a copy of their communication so that you may have the benefit of their thinking on this important subject.

With all kind wishes, I am
Sincerely yours,

SAM J. ERVIN, Jr.

Enclosure.

BEAUFORT COUNTY BOARD OF EDUCATION,
Washington, N.C., September 2, 1971.

Hon. SAM J. ERVIN, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: We wish to request your support for the National School Lunch Program at the hearing called by Senator McGovern, RE: Proposed changes in regulations concerning the use of Federal funds to carry out the mandatory provisions of Public Law 91-248, with respect to meeting the need for free and reduced price lunches for children qualifying.

We are attaching a copy of our letter to Mr. Herbert Rorex.
Sincerely,

GRAY HODGES, *Superintendent.*
(Mrs.) SARA F. CUTLER, *Nutritionist.*

Attachment.

BEAUFORT COUNTY BOARD OF EDUCATION,
Washington, N.C., September 2, 1971.

Mr. HERBERT ROEX,
Director, Child Nutrition Division, Food and Nutrition Service, USDA, Washington, D.C.

DEAR MR. ROEX: We are greatly concerned with the new proposed USDA regulations restricting the use of allotted funds in meeting our needs in reaching hungry children in North Carolina.

1835

In Beaufort County we have tried to follow Public Law 91-248 in meeting the need for free and reduced price lunches for children qualifying under income standards established by USDA and the State Agencies.

PERCENT ADA SERVED LUNCHES

Year:	
1968-1969.....	79 percent (25 percent free, 75 percent paid).
1969-1970.....	87 percent (25 percent free, 75 percent paid).
1970-1971.....	87 percent (32 percent free, 9 percent reduced, 59 percent paid).

If our reimbursement had been reduced from the present 12¢ and 45¢ to the proposed 5¢ and 30¢ based 70-71 participation we would have received \$87,475.90 instead of \$166,537.53 we did receive.

We have nine lunchrooms in Beaufort County and averaged feeding 4073 plates/da. in 70-71 for a plate cost of \$.437. Therefore, we see no way we could continue to serve the needy children with a reimbursement of 30¢.

Our present county-wide balance is .7 of a month's operating expenses.

This program, we feel, deserves a high priority in Federal Funding.

Sincerely,

GRAY HODGES, *Superintendent.*
(Mrs.) SARA F. CUTLER, *Nutritionist.*

CABARRUS COUNTY SCHOOLS,
Concord, N.C., September 16, 1971.

Hon. GEORGE MCGOVERN,
Senator Annex Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: During the 1970-71 school year, the Cabarrus County Schools served 1,158,179 student lunches—42,674 reduced price, 151,287 free, and 988,703 paid. We received for the year a lunch reimbursement of \$131,063.03.

Under the regulations now out, the maximum reimbursements are 5¢ for paid lunches and 30¢ for free lunches. This will give us a reimbursement for the above figures of \$100,277.95.

This will mean a loss in reimbursement of \$30,785.08. The number of free student lunches is approximately 5% more this year so this means an even greater loss.

At this point, I cannot see how school lunch can operate with such a tremendous loss in funds.

I urge you to help us by any means possible to at least receive the reimbursement established last school year. We just simply cannot operate by increasing the number of free lunches served and decreasing the funds available to do the job.

Very truly yours,

(Mrs.) JOHNSIE BEAVER,
School Food Service Director.

CATAMBA COUNTY SCHOOLS,
Newton, N.C., September 17, 1971.

Sen. GEORGE MCGOVERN,
Senate Annex Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: I wish to quote figures as to how the reduction in reimbursement rates would affect our administrative unit using the same number of lunches to be served this year as last. Since no investigation is to be made concerning the family income reported on the application blank there is going to be considerable more free and reduced priced lunches.

1970-71: Number of free lunches, 125,109 x .36=\$45,039.24; Number of paid lunches, 1,510,856 x .06=\$90,651.36.

1971-72: Number of free lunches, 125,109 x .30=\$37,532.70; Number of paid lunches, 1,510,856 x .05=\$75,542.80.

This would be a loss of \$22,615.10 to our unit alone.

1836

The law was passed that we must feed our needy children. Everyone agrees that we have them in each state. We feel if we are to feed these children we must be provided the funds for this. With the price of our lunches frozen we feel we cannot do the job this year unless we have at the minimum the same rates as last year. Please do all you can to help us.

Yours truly,

(Miss) CLAUDIA THARPE, *Director.*

KANNAPOLIS CITY SCHOOLS,
Kannapolis, N.C., Sept. 17, 1971.

Senator GEORGE MCGOVERN,
Senate Annex Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: We wish to call to your attention our deep concern about the proposed reimbursement rates for the 1971-72 school year. We understand that the new rates are \$.05 for paid lunches and \$.30 for all free lunches.

We include for your information our loss calculated upon the proposed reimbursement rate:

Number of paid, 737,096 at \$.05 -----	\$36,854.80
Number of free 127,196 at \$.30 -----	38,158.80
Total amount we would have received -----	75,013.60
Amount actually received last year -----	97,671.60
Amount we would have received at new rates -----	75,013.60

Amount we would have lost at new reimbursement rates ---- 22,657.98

We believe this report speaks for itself. We feel that our lunch program will be in serious trouble if something is not done to correct this. We urge you to use your influence in whatever way possible in order that we may continue to operate effectively during this school year.

Thank you for this service.

Very truly yours,

C. R. COWAN,
Associate Superintendent.

TRANSYLVANIA COUNTY SCHOOLS,
Brevard, N.C., Sept. 22, 1971.

Hon. GEORGE D. MCGOVERN,
Senator, U.S. Senate,
Washington, D.C.

DEAR SENATOR: The enclosed copy of a letter to Mr. Herbert D. Rorex, Director, Child Nutrition Division Food and Nutrition Service, USDA, expresses our concern regarding the proposed regulations governing the operations of Federal-State Child Nutrition programs.

In Transylvania County and in North Carolina we appreciate your concern and the effort you have made (or will make) to help meet our needs in feeding hungry children in 1971-1972 and in the years to come.

Sincerely yours,

(Mrs. B. F.) MADGE K. MAREE,
Director/Supervisor, Transylvania County School Food Service.

SEPTEMBER 22, 1971.

Mr. HERBERT D. ROEX,
Director, Child Nutrition Division, Food and Nutrition Service, USDA,
Washington, D.C.

DEAR MR. ROEX: In North Carolina and Transylvania County we are concerned regarding the Notice of Proposed Rule Making, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

We think the new proposals by the United States Department of Agriculture restricting the use of allotted funds would not meet our needs in feeding hungry children.

In Transylvania County we would be faced with an impossible financial drain. Based on the number of children fed in our County last year, the financial loss would be approximately \$16,000.00. This loss would be created if we only received 5¢ reimbursement for all meals and 30¢ reimbursement for free/reduced cost meals.

Progress made last year in feeding needy children cannot be maintained unless a change in the proposed regulations be made.

There is a great financial need for increased reimbursement for ALL meals and especially so for free and reduced cost meals.

Without changes being made in the proposed rate of 5¢ per type A lunch and 30¢ maximum for free and reduced cost meals, the needs of hungry children cannot be met, nor can the price per lunch be maintained at a level that children can afford to pay.

We urge you to lift these restrictions as proposed by the new regulations so that we will be able to fulfill our obligations in meeting the needs of our children in Transylvania County, in North Carolina and in our Nation.

Sincerely yours,

(Mrs. B. F.) MADGE K. MAREE,

Director/Supervisor, Transylvania County School Food Service.

OHIO

BOARD OF EDUCATION,
MAYFIELD CITY SCHOOL DISTRICT,
Cleveland, Ohio, September 24, 1971.

Mr. WADE D. BASH,
Chief, School Food Service Program, Executive Offices, Ohio Departments Building, Columbus, Ohio

DEAR MR. BASH: A few days ago our school district received information that we would only be reimbursed to the amount of 15 cents for every free lunch granted to needy children in our district.

A subsequent call to your department produced information that the reimbursement rate varied between school districts, from 15 cents to 60 cents, depending upon the number of needy children in the district.

My sense of fairness was truly outraged by this information, for the following reasons:

A. It cost us between 45 and 60 cents to produce a lunch, probably about the same amount it cost other districts. I see no reason why others should receive reimbursement for the total cost of their free lunch program while our paying students have to pick up part of the bill for their less fortunate neighbors.

B. This development will be very damaging to our cafeteria program, already losing about \$50,000 a year. The weight of supporting these free lunches out of local funds is threatening our total lunch program on an economic basis, and could eventually deprive all our students of a hot school lunch. You are well aware that the tie-in between the free lunches and the surplus food forces us to retain one to get the other. We can't stay in business without that surplus food, but the free lunch program is moving toward the point where it is wiping out the advantages which we have been gaining through the surplus food program.

C. Everyone in this community who is aware of these developments feels somewhat betrayed. They feel it is the traditional pattern of federal aid—leading local schools into programs which soon become indispensable, and then slowly withdrawing federal support. This leaves the local district with the burden of supporting a program it would not have started in the first place had federal funds not been made available to support it.

I am told that the decision concerning the distribution of support monies was made by HEW in Washington, and that our state people are just following the plan. Please send me the name of the head of the responsible agency as I wish to present him with the same sentiments expressed above.

Very truly yours,

ROBERT G. STABILE,
Superintendent of Schools.

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PENNSYLVANIA

THE BOARD OF PUBLIC EDUCATION,
Pittsburgh, Pa., August 20, 1971.

Mr. HERBERT D. ROREX,
Director, Child Nutrition Division, Food and Nutrition Service, U.S. Department
of Agriculture, Washington, D.C.

DEAR MR. ROREX: The Pittsburgh Board of Public Education is registering
comments on the above noted regulations governing the National School Lunch
Program.

The proposed regulations seem to be in conflict with the intent of the Congress
under P.L. 91-248. In this Bill they provide for:

1. Up to 12 cents for all "Type A" lunches
2. Full funding of free and reduced price lunches up to 60 cents
3. Year in advance funding
4. No overt identification of needy children
5. The option of identifying needy children by category
6. Formation of a Council on Nutrition

None of these are fully implemented, even though they are in the former
guidelines. The new guidelines appear to increase the burden to school districts
rather than help them expand old programs or start new ones.

The limits described in 210.4(f) are not in the best interest of feeding needy
children. The limit of 35 cents for each free or reduced priced "Type A" lunch
to children does not cover the cost of such a lunch.

Pittsburgh has been extremely careful to hold the cost of each lunch to 60
cents. This is for a cold "Type A" lunch served in most elementary schools and
also for the hot "Type A" lunch served in our secondary schools. The elementary
students pay 10 cents, while the secondary schools pay 20 cents for a reduced
priced lunch.

Therefore, our maximum income from elementary lunches sold at a reduced
price is 45 cents (.05+.30+.10), or 15 cents below cost. At least 80% of all
elementary students in Pittsburgh now being served are eligible for free or
reduced priced lunches. We are now projecting an annual need of \$393,000+ to
keep our present elementary program. This does not allow for any expansion
of lunches to more needy students.

Also, in the secondary schools at least 66% of all students are eligible for
free or reduced priced lunches. Using the same projections, at least \$282,888
will be needed for secondary schools in the 1972 fiscal year.

Even on the full priced lunches of 45 cents, previously established and now
frozen, the deficit of 5 cents per meal is incurred. This could result in an annual
loss of \$72,315.

If it is the intent of Congress to financially aid school lunch programs. FULL
FUNDING must be forthcoming. The Pittsburgh Board of Public Education
needs a reimbursement of at least 50 cents for each free and reduced priced
meal as well as 10 cents for every "Type A" lunch served.

Items 4 and 5 are now over-regulated to the point where every needy child
must carry an application home and back to school which, in effect, advertises
"I am a needy child". To us, this identifies him to his fellow students, and is
discriminatory and not necessary.

As before, school is about to open and new regulations are being imposed
which will add to the administrative burdens of the school district, and the
amount of reimbursement available is being announced at a time which allows
for no advanced planning.

Where is the legislated "National Advisory Council"?

None of the provisions of Section 14 of the National School Lunch Act, as
amended, are being implemented, especially part (f) where up-to-date data
accounting be assembled "for administrative and legislative changes. . .".

The results of these presently proposed regulations will reduce participation
in the total program, which does not appear to be the wish of the Congress.
They restrict the program and do not cover the full implementation of P.L.
91-248.

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We would like to recommend :

1. Continue all present programs at June 1971 levels
2. Submit all proposed guidelines to the National Advisory Council
3. Require their action before May 1972
4. Publish all proposals by June 1, 1972
5. Publish all permanent changes by July 1, 1972
6. New Regulations effective for the new fiscal year
7. All future changes made on this timetable so there is advanced knowledge with enough time to implement.

Very truly yours,

D. G. BUSSLER,
Director of Food Service.

Approved :

F. L. KELLAMS,
Director of General Services.

SCHOOL DISTRICT OF CHELTENHAM,
Philadelphia, Pa., August 25, 1971.

Senator GEORGE MCGOVERN,
U.S. Senate Office Building, Washington, D.C.

DEAR SENATOR MCGOVERN: As a food service director for the School District of Cheltenham Township, Elkins Park, Penna., I am most anxious to enlist your aid in having the United States Department of Agriculture rates for the School Lunch Program increased to provide an average of 6¢ from Section 4 Funds (Cash for Food Assistance) for each Type A lunch served. Also funds for free and reduced price lunches from Sections 11 and 32 should be increased to provide an average of 45¢.

Thank you for any help you can give.

Sincerely,

(Mrs.) PHYLLIS E. FILEMYR,
Director of Food Services.

THE BOARD OF PUBLIC EDUCATION,
Pittsburgh, Pa., August 26, 1971.

HON. GEORGE S. MCGOVERN,
Senate Office Building, Washington, D.C.

DEAR SIR: The attached is a copy of a letter sent to Mr. Herbert Rorex, U.S.D.A., protesting the new guidelines governing the operations of the National School Lunch Act as amended.

The regulations are scheduled to be read into the Federal Register in early September.

I feel these guidelines, regulations, and U.S.D.A. interpretations will strangle our program here in Pittsburgh and are in conflict with the wishes of Congress to feed hungry children.

Please read the attached letter and do what you can by advising the U.S.D.A. as to full implementation of the wishes of Congress as to feeding hungry children in school. The recent guidelines and the timing of their release and effective date will cause a real hardship to Pittsburgh, Pennsylvania, and the rest of the nation.

Implementing changes so close to the opening of school will cost Pittsburgh a loss of reimbursement in September and could well sink the entire program. This same approach of releasing changes was used and protested against last year. Now, this year the U.S.D.A. again releases changes to be read into the Federal Register AFTER school has started. *This must be strongly protested.*

Congress provided a law suitable for planning ahead in P.L. 91-248. In actuality, the hungry school children are not receiving the full benefits of this law because the U.S.D.A. is restricting benefits through ill advised use of regulations, guidelines, and interpretation of a good congressional law.

Very truly yours,

D. G. BUSSLER,
Director, Food Service Division.

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WILKES-BARRE AREA SCHOOL DISTRICT,
Wilkes-Barre, Pa., August 26, 1971.

Senator GEORGE MCGOVERN,
Senate Office Building, Washington, D.C.

DEAR SENATOR MCGOVERN: The new guidelines issued recently by the Department of Agriculture for child nutrition programs disturb me greatly. If I understand the situation correctly, the amendment to 91-248 stating that a school district must serve 90% of its daily participation *free* to qualify for full federal funding would wreck our district's successful federal school lunch program.

I am strongly recommending that the amendment to 91-248 be changed to include a seven cent (\$.07) reimbursement for Section 4 funding on all Type A lunches served. I am also recommending that a minimum of forty-five cents (\$.45) be paid on all "free and reduced price" lunches.

The future of the federal school lunch program depends on your immediate review and action on this critical situation.

Sincerely,

WALTER C. WOOD, *Superintendent.*

[Telegram]

Senator GEORGE MCGOVERN,
Senate Office Building, Washington, D.C.

The guidelines issued recently by U.S.D.A. for child nutrition areas are unrealistic. Availability of program funds is meaningless when the use and distribution of such funds is rigidly controlled and restricted by U.S.D.A. The amendment to 91-248 that states a district must serve 90 percent of its daily participation free to qualify for full funding, must be changed to read as 90 percent free and reduced price. In fact, the guideline should provide for variables in participation percentages and the amounts reimbursable for certain categories, especially when the larger part served is free.

Percentage fee, free and reduced, price maximum	Funded	Reduced
60 to 90 cents.....	0. 60	10
40 to 59 cents.....	0. 50-. 55	20
5 to 39 cents.....	. 45-. 50	20

May 1971 figures in our school district submitted to the State office show that 75 percent of the lunches served were either free or reduced price.

We are to receive a total of 35 cents per plate (30 cents plus 5 cents), we will have to close the program as we are anticipating close to 800 free meals daily. This would mean a loss of 25 cents per plate for free, 5 cents per plate for reduced price, and due to the freeze 10 cents per plate on full price meals. No district in the country can survive under these conditions. We have reached the needy in our district. We have complied with all regulations pertaining to 91-248. We do have approved applications on file for all free and reduced price lunches served.

Local tax dollars to support a deficit program are not available now, nor in the future.

If a large number of school feeding programs close throughout the Nation, it will have a pronounced effect on our economy. 1—Unemployment for food service personnel. 2—Food processing and packaging industries would be hit by law of supply and demand. 3—Major large and small equipment and supply firms would also suffer. 4—The percentage of dropouts would increase and 5—Hungry students are more susceptible to inciting disturbances.

Where has the Congress placed child nutrition on the priority list? Why must we wait each year until the middle of August to be informed of the department guidelines? Why do we reimburse 4 cents for a half pint of milk under the special milk program and only 5 cents for a complete lunch, including foods, labor and miscellaneous supplies? It doesn't make sense. Why was the 12 cents rule deleted? Congress passes the law and appropriates the money, but restrictions prohibit the maximum use of funds on the State level to benefit all programs. We strongly urge and request reconsideration of the guidelines and

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whatever support you can give to help us keep the child nutrition program operable will be greatly appreciated.

Respectfully yours,

Mrs. ALICE E. REED,
President, Pennsylvania School Food Service Association, Director of
School Food Services, East Allegheny School District, North Versailles,
Pa.

[Telegram]

LIGONIER, PA.

Senator GEORGE MCGOVERN,
Washington D.C.

DEAR SENATOR MCGOVERN: The Ligonier Valley School District, Ligonier, Pennsylvania, is appealing the USDA guidelines for the 1971-72 school term. We solicit your cooperation in having the monies appropriated by Congress for Student Lunch programs utilized on a more equitable basis. Our school district is not in a financial position to carry the cost of a free or reduced price lunch program.

MILROY CARNAHAN, Superintendent.

SCHOOL DISTRICT OF THE CITY OF ALLENTOWN,
Allentown, Pa., August 27, 1971.

HON. GEORGE MCGOVERN,
U.S. Senate, Washington, D.C.

DEAR SIR: Enclosed herewith is a copy of letter forwarded to Mr. Herbert Rorex concerning the announced changes in the School Lunch Program regulations.

It is our understanding that the final regulations will be announced on September 1, 1971, and we would appreciate any help you can give toward a subsidy increase.

Very truly yours,

WILLIAM J. SANDBROOK, Jr.,
Secretary-Business Manager.

Enclosure.

SCHOOL DISTRICT OF THE CITY OF ALLENTOWN,
Allentown, Pa., August 27, 1971.

Mr. HERBERT ROREX,
Child Nutrition Division, Food and Nutrition Services,
USDA, Washington, D.C.

DEAR MR. ROREX: Please be advised that the Board of Directors of the School District of the City of Allentown, Pennsylvania, at a regular meeting held on Thursday, August 26, 1971, directed me to write you regarding their concern over the published changes in regulations for funding the National School Lunch Program.

It is important to remember that the Allentown School District, and many other school districts, have developed plans for expansion of school lunch programs consistent with the need as evidenced by congressional concern and action the last two years.

As we understand the effect of the changes outlined in Article 210.4, paragraph (f), it seems that the average subsidy for a lunch should read "6 cents" as opposed to "5 cents", and the average subsidy for free and/or reduced lunches under special assistance should read "45 cents" as opposed to "30 cents".

You will want to remember that Pennsylvania was not able to reimburse all free lunches last fiscal year at the 30 cent subsidy because of limited funds, and it seems impractical for the department to further restrict payments to states.

The Allentown School District has historically supported the National School Lunch Program with local tax dollars, and considers it imperative that further consideration be given this matter.

Very truly yours,

WILLIAM J. SANDBROOK, Jr.,
Secretary-Business Manager.

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[Telegram]

MURRYSVILLE, PA.

Senator GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: The Franklin Regional School District urges more realistic guidelines for school lunch reimbursement. With increased wages and food costs every national school lunch program has found it more and more difficult to operate without a deficit. If schools are driven off the program, it will be the children who suffer. School districts have been required to feed their needy children which is a good thing, but local budgets cannot assume the cost of this increased load. Please give your support to the reconsideration of these guidelines so our country can move forward in the area of child nutrition.

Sincerely,

GWEN G. CHEGWIDDEN,
Director of School Food Service.
Dr. JOHN HOLIDAY,
Superintendent of Schools.
Dr. JOHN DONALDSON,
President Franklin Regional School Board.

PHILADELPHIA, PA., August 27, 1971.

Hon. GEORGE MCGOVERN,
U.S. Senate, Washington, D.C.

The Philadelphia School Food Service Division strongly protects the intent of the USDA to bring about changes in the child nutrition programs for the school year 1971-1972.

The reasons being:

1. Most school districts confirm their programs during the summer months.
2. Our budget should be confirmed prior to schools opening.
3. Parents and children look forward to schools opening with at least the same advantages that existed when they left schools at closing.

We offer these suggestions:

1. Any changes in program operations or funding should not be proposed for the current school year.
2. Any changes should be directed toward putting an end to hunger among America's school children.
3. The proposed plan is carried out would curtail our present operations and preclude the expansion required to reach the additional millions of hungry children in America.

JOHN J. FITZSIMMONS,
Director, Food Service Division.

PENN HILLS SCHOOL DISTRICT,
ADMINISTRATIVE OFFICES,
Pittsburgh, Pa., August 31, 1971.

Mr. HERBERT ROREX,
Director, Child Nutrition Division, Food and Nutrition Services, U.S. Department
of Agriculture, Washington, D.C.

DEAR Mr. ROREX: As Director of Food Services for the Penn Hills School District, I feel it my duty to inform you of a particular situation which is vital to our school lunch program.

The school districts of Pennsylvania have been compelled into creating and increasing a free or reduced price lunch program designed to reach as many underprivileged and deprived children as possible. My colleagues and I in the school lunch program have worked diligently to increase the program as much as possible. We are now faced with the sad situation of not having enough money to properly fund this program. In the school year 1970-71, we received 34¢ for a free lunch and 4¢ for a regular Type A lunch. It is very clear that these insufficient funds cannot support a successful food services program.

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I urge you to put your complete support behind the cause of increasing and insuring payment of such funds.

If any further information is necessary, please feel free to call on me at any time.

Thank you.

Sincerely yours,

J. OAKLEY WEAVER,
Director of Food Services.

SOUTH DAKOTA

DEPARTMENT OF PUBLIC INSTRUCTION,
July 9, 1971.

HON. GEORGE MCGOVERN,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR MCGOVERN: The 1970-71 Fiscal year for South Dakota School Food Services opened with a new director and a great many challenges presented by the signing of Public Law 91-248 on May 20, 1970. These challenges were greatly increased as month after month went by and funding did not become a reality until January of 1971. President Nixon had challenged all states to see that all needy children were fed a nutritious lunch by Thanksgiving of 1970. This challenge was accepted by South Dakota and more than 30,000 additional children had lunches available to them by Christmas time or shortly thereafter even though many were of the sack lunch type. With apparent excellent funding available from January and on, an increased emphasis was placed on making lunches available to more and more children and stressing that hot foods should be served by the fall of 1971. Again the schools have accepted this challenge.

Late in January of 1971 two officials from the Midwest Regional Office in Chicago visited South Dakota asking that funds be projected for the balance of the fiscal year. With expanding programs they were informed by the Director that this was impossible. By late March the regional office was much more adamant in its demands and it was agreed that projections would be made but no binding release of funds would be made by South Dakota. I was assured this was understood. The tentative release of funds was discussed with Dr. Barnhart, State Superintendent, and officers of the State Budget Bureau. Shortly after May 1, 1971, however, it was discovered that a greatly increased demand for food services for summer programs was developing. The Chicago Midwest Regional Office was immediately informed. By the end of May reimbursement requests from schools indicated that where in previous years there had been a heavy drop-off in participation during April and especially in May this was not holding true in 1971. Therefore, early April projections were not holding and some of the tentatively released funds would be needed. Letters were immediately sent to Mr. Doyle, the Director of the Midwest Region, with carbons to Mr. Nelson, the Director of Nutrition at Chicago, to Dr. Barnhart, the State Superintendent of Public Instruction, and to the Senate Select Committee on Nutrition and Human Needs. A direct call was made to Mr. Doyle and Mr. Nelson and numerous conversations have been held with Mr. Stauner, Deputy Director of the Chicago office. Although many verbal commitments have been made to alleviate the situations whereby we have on hand hundreds of thousands of dollars in commitments to schools, we are stalemated in our processing until we get direct written confirmation.

I am enclosing copies of our last two letters of credits with the irrevocable clause attached to each which gave me the assumption that when funds had been committed unless a formal release was requested the funds would be available.

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The April 13, 1971, Letter of Credit, indicated the following authorizations for South Dakota:

School milk-----	\$365,762
School lunch—4-----	906,998
School lunch—11-----	1,173,038
School breakfast-----	87,711
Equipment-----	67,561
Administration-----	42,956
Special food services, 13-----	104,530
Child food services, 32-----	886,039

The School Milk allocation has been sufficient due to the uncertainty of the continuation of the program last fall and many schools started late or discontinued the program out of frustration. It was nearly Thanksgiving before we were given the go ahead to the end of the year. We will be able to release more than \$40,000 from this fund which will revert to the Federal Government.

The Section 4 authorization of \$906,998 is the amount authorized to May 18 for payments for each lunch served and ordinarily it has been 4¢ to 5¢ per lunch. With a 50% increase in funds over the previous year and with many school lunch programs experiencing difficulties last fall this rate was set at 10¢ during November and 7¢ during December. The remainder of the year it remained at 5¢ per lunch. To meet May obligations at 5¢ per lunch this fund is \$24,000 short.

The Section 11 authorization of \$1,173,038 was for Special Assistance to Needy Students payments. Initially each needy child listed on a claim received 30¢ per lunch from this fund plus the 5¢ regular reimbursement except for November and December when 10¢ and 7¢ respectively were paid. The Section 11 fund seemed very adequate until April when new guidelines from the Federal Government allowed payments of 48¢ per lunch with an additional 12¢ for each child participating in the school lunch program to be paid from Section 4 funds—if the school financing of lunch programs seemed in dire straits. Demands for these funds increased greatly also the costs of lunches in most schools averaged around 50¢ and the differences between the 35¢ reimbursement for needy children and the 50¢ cost had been borne from other sources until February. Therefore, in February many requests for additional aid came in and many more in April from schools running deficit programs or at low levels. It was at this time that increased pressure was brought to bear by the Federal Government for projections to the end of the year.

By this time directors throughout the country were swamping regional offices with letters and telephone calls saying that they would not have enough funds in Section 4 to pay 12¢ for each lunch served if they were going beyond the 30¢ rate for the needy. The USDA relented and passed the "Interim 12¢ Rule" which stated that 5¢ could be paid from Section 4 funds and 7¢ from Section 32 funds. Section 4 funds are directly appropriated for payments for each lunch served regardless of the status of the child and Section 32 funds are funds received from import duties (to the best of my knowledge). Proportionate amounts of these were assigned to the various states. This is a flexible fund which can be transferred to Special Assistance needs beyond funds already authorized for that purpose, to School Breakfast needs if additional funds are required, for non-food assistance if additional funds are needed especially for expanding programs, and for Special Food Services Programs. This new rule greatly enhanced the opportunities for programming but also seriously affected any true projections to the end of the year as many more requests were received in April.

A great many commitments were also made for equipment to institute new feeding programs, especially in larger cities, and for increased payments to needy children in schools which had made specific requests stressing inadequate financial resources. These commitments also followed the guidelines.

However, on the basis of information available and trying to be honest I had announced in April the possibility of a tentative release of \$337,858 amount of Section 11 funds and a need for an additional \$2,000 in Section 4 funds, an additional \$6,136 needed for Breakfast Program purposes, and an unneeded \$35,762 in Special Milk Funds. I indicated no release of the \$886,039 in Section 32 funds. On June 4 with no request from the USDA as to financial status at the time a Letter of Credit was received reducing Special Assistance by \$337,858 but transferring this amount to Non-Food Assistance which was acceptable

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to me. However, a like amount of \$337,858 was decreased from the \$886,039 which was not acceptable under the Letter of Credit irrevocable clause.

In a like manner the \$104,530 in Special Food Service Funds which we had in April of 1971 and of which funds Mr. Earl Boxa, Assistant Director, projected we would need \$22,308 to carry us to June 30 suddenly mushroomed with new programs and it is estimated that we need an additional \$20,000 to \$30,000 in additional funds to cover June costs.

I have submitted a request that the Letter of Credit be revised to the following status to clear up 1971 fiscal year commitments.

Special milk-----	\$318, 000
SL-4 -----	930, 000
SL-11 -----	931, 000
SB -----	96, 700
EQ-non-food assistance-----	405, 419
Administration expense (Covers 3 employees)-----	42, 956
SFS -----	40, 000
CF-32 (This includes 288,000 for Interim 12¢ Rule and \$279,521 in Non-Food Assistance in addition to the \$405,419 authorized under EQ) -----	567, 521

The total requested on a final Letter of Credit is \$3,331,596 as compared to an authorization of \$3,634,595 on April 13, 1971. However, Federal authority must be granted before certain funds can be transferred to different categories. This means that South Dakota could have spent an additional \$302,991 of the original April 13 authorization if the guidelines had been more flexible.

I am enclosing copies of Letters of Credit to substantiate the above.

I am submitting this to the South Dakota Congressmen and to the State Board of Education. I know the explanation may be complex but I think it should be known that the problems involved with the feeding of 110,000 children, plus commodity programs in eleven counties and the Indian Reservations plus summer camps and child care centers and constantly changing policies are complex.

I am hoping South Dakota Congressmen will immediately take action.

Sincerely yours,

MARTIN SORENSEN,
Director, School Food Services Division.

Enclosure.

U.S. DEPARTMENT OF AGRICULTURE,
FOOD AND NUTRITION SERVICE,
Chicago, Ill., June 15, 1971.

Subject: Funding of special food service program for fiscal year 1971.

To: State school lunch agencies.

Following are the total dollar amounts available to the States indicated for the current fiscal year 1971. There will be no authorization to transfer funds from any other Program to the Special Food Service Program. You must confine expenditures to the amount shown:

Illinois -----	\$432, 847
Indiana -----	309, 205
Iowa -----	189, 622
Minnesota -----	305, 803
South Dakota-----	22, 308

R. J. NELSON,
Regional Supervisor, Child Nutrition Program.

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FORM FNS-374-1

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE
WASHINGTON, D.C. 20250

NOTICE OF REVISED PROGRAM LIMITATIONS

State Department of Public Instruction
Pierre
South Dakota

DATE	APR 13 1971	LETTER OF CREDIT NO.	12-35- 4001
FEDERAL RESERVE BANK Minneapolis			
LTR. OF CR. AMENDMENT	10	AMOUNT	\$3,634,595
CURRENT AUTHORIZATION			
SM	365,752	ADM.	42,928
SL-4	1,173,000	SFS-13	101,530
SL-11	1,173,000	CF-32	101,530
SB	27,711		
EQ	27,711		

Gentlemen:

The Letter of Credit cited above held in your favor by the Federal Reserve Bank named has been revised to reflect the changes shown below for the programs specified.

PROGRAM	MONTH AND YEAR	AMOUNT PREVIOUSLY AUTHORIZED	NET CHANGE (INCREASE OR DECREASE)	AMOUNT CUMULATIVELY AUTHORIZED
		\$	\$	\$
School Lunch (SL-4)				589,548
Through March 1, 1971				
April 1, 1971		+ 99,770	+ 3,024	692,342
May 1, 1971		+ 99,770	-	792,112
June 1, 1971		+114,366	-	906,993

Under no circumstances shall Form FNS-218, Payment Voucher on Letter of Credit, be issued which would result in overdrawing the Amount Cumulatively Authorized for any program for the current month. If a Payment Voucher is issued in an amount in excess of the monthly limitation for the specific program, you will be liable for such excess amount.

Director, Food and Nutrition Division

CERTIFYING OFFICIAL'S VALIDATION

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Standard Form 1193
 U.S. TREASURY FORM 1000
 Fiscal Service, Bureau of Accounts

ISSUING AGENCY Food and Nutrition Service U.S. Department of Agriculture		LETTER OF CREDIT Auth: TREASURY DEPARTMENT CIRCULAR No. 1075, Revised		LETTER OF CREDIT NUMBER 12 31 001
AGENCY STATION SYMBOL 12-33-7701	(FOR AGENCY USE)		AMENDMENT NUMBER 10	EFFECTIVE DATE APR 13 1971
TO: The Federal Reserve Bank, Minneapolis			BRANCH BANK AT	

In accordance with the authorization of the Fiscal Assistant Secretary, Treasury Department, there is hereby authorized for the account and responsibility of the issuing agency a letter of credit:

IN FAVOR OF State Department of Public Instruction Pierre, South Dakota		FOR DEPOSIT ONLY TO School Food Service Programs ACCOUNT	
AMOUNT AUTHORIZED \$ 3,031,571	☐ EACH MONTH ☐ EACH QUARTER ☐ WITHOUT TIME LIMIT ☐	PRIOR AUTHORIZATION \$ 3,031,571	THIS CHANGE Increase \$ 0.00 Decrease \$

☐ The unpaid balance of this letter of credit will remain available until you are advised in writing by the Treasury Department that this letter has been revoked.

OR

☐ The unpaid balance of this letter of credit is revoked at the end of each period indicated and the full amount reestablished at the beginning of the following period until you are advised in writing by the Treasury Department that this letter has been revoked.

The amount of this letter of credit is hereby certified to be drawn against, upon presentation to you of Form TUS 5401, Payment Voucher on Letter of Credit, by the official(s) of the recipient organization whose signature(s) appear(s) on the Standard Form 1194, Authorized Signature Card for Payment Vouchers on Letter of Credit, attached hereto or previously or subsequently furnished you through the Treasury Department.

The amount of each payment voucher paid by a Federal Reserve Bank or branch to a designated commercial bank for credit to the account of the recipient organization shall constitute payment to the recipient organization by the United States.

I certify to the Treasury Department that the payments authorized herein are correct and proper for payment from the appropriations or funds legally committed and available for the purpose, when paid in accordance with the terms and conditions cited above.

*This Letter of Credit is irrevocable to the extent the recipient organization has still not funds in good faith thereunder in executing the authorized Federal Programs in accordance with the grant, contract, or other agreement.

DATE CERTIFIED

APR 13 1971

[Signature]
 AUTHORIZED CERTIFYING OFFICER
 Joseph A. [unclear], Chief, Fiscal Service
 U.S. Department of the Treasury

TYPED NAME AND TITLE

1193-102

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UNITED STATES DEPARTMENT OF AGRICULTURE

FOOD AND NUTRITION SERVICE
Midwest Regional Office
536 South Clark Street
Chicago, Illinois 60605

JUN 1 1971

Mr. Martin Sorensen, Director
Educational Food Services
State Department of Public Instruction
State Capitol Building
Pierre, South Dakota 57501



Dear Mr. Sorensen:

Attached is a revised Letter of Credit and Notice of Program Limitations, Fiscal Year 1971, for the South Dakota State agency reflecting adjustments in the Section 32 bloc grant, Special Assistance, and Nonfood Assistance accounts. The net result of these adjustments will be the indicated reduction of Section 32 bloc grant funds in the amount of \$337,858.

Other actions as follows will be required and are hereby authorized:

Transfer the unneeded \$337,858 of Special Assistance funds to the Nonfood Assistance account. (This will release the same amount of Section 32 funds previously used for Nonfood Assistance.)

Reduce the amount of Section 32 bloc grant funds for use in Nonfood Assistance by the \$337,858 transferred from Special Assistance.

Of the \$548,181 of Section 32 bloc grant funds now authorized, \$262,524 is approved for the Section 4 needy schools to implement the March 9 memorandum, \$6,136 for School Breakfast and \$279,521 for Nonfood Assistance.

The current authorization of \$405,419 of Nonfood Assistance funds supplemented by \$279,521 of Section 32 bloc grant funds should substantially reduce the number of no program schools in South Dakota.

You should adjust your fiscal records to show the use of the transferred Special Assistance funds in payment of claims previously paid with Section 32 bloc grant funds if necessary. We suggest you confirm, to us, the action taken to adjust your accounts so that we can be abreast of the fiscal status of program accounts.

Please make the usual distribution of these forms.

Sincerely,

R. V. Chico

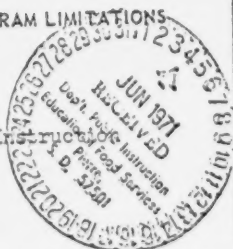
R. V. CHICO
Administrative Officer

Child Nutrition Programs
Attachments

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FORM FNS-374-1
6-701UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE
WASHINGTON, D.C. 20250

NOTICE OF REVISED PROGRAM LIMITATIONS

State Department of Public Instruction
Pierre
South Dakota

DATE	MAY 18 1971		LETTER OF CREDIT NO.	12-35- 4001	
FEDERAL RESERVE BANK Minneapolis					
LTR. OF CR. AMENDMENT	11		AMOUNT	\$3,296,737	
CURRENT AUTHORIZATION					
SM	365,762	ADM.	42,956		
SL-4	906,998	SFS-13	104,530		
SL-11	835,180	CF-32	548,181		
SB	87,711				
EQ	405,419				

Gentlemen:

The Letter of Credit cited above held in your favor by the Federal Reserve Bank named has been revised to reflect the changes shown below for the programs specified.

PROGRAM	MONTH AND YEAR	AMOUNT PREVIOUSLY AUTHORIZED	NET CHANGE (INCREASE OR DECREASE)	AMOUNT CUMULATIVELY AUTHORIZED
		\$	\$	\$
Special Assistance (SL-11)				
Through January 1, 1971				1,173,038
May 1, 1971			-337,858	835,180
Nonfood Assistance (EQ)				
Through January 1, 1971				67,561
May 1, 1971			+337,858	405,419
Child Feeding, Section 32 (CF-32)				
Through January 1, 1971				886,039
May 1, 1971			-337,858	548,181

Under no circumstances shall Form FNS-218, Payment Voucher on Letter of Credit, be issued which would result in overdrawing the Amount Cumulatively Authorized for any program for the current month. If a Payment Voucher is issued in an amount in excess of the monthly limitation for the specific program, you will be fully responsible for such excess amount.

John A. Gallagher
DIRECTOR, CHILD NUTRITION DIVISION
Adolphus Taylor
CERTIFYING OFFICER'S VALIDATION

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Standard Form 1193
8 TREASURY FORM 1000
Fiscal Service, Bureau of Accounts

ISSUING AGENCY Food and Nutrition Service U.S. Department of Agriculture		LETTER OF CREDIT Auth: TREASURY DEPARTMENT CIRCULAR No. 1075, Revised (FOR AGENCY USE)	LETTER OF CREDIT NUMBER <u>12 35 4001</u>
AGENCY STATION SYMBOL <u>12-35-9701</u>	AMENDMENT NUMBER <u>11</u>		EFFECTIVE DATE <u>MAY 18 1971</u>
TO: The Federal Reserve Bank, Minneapolis		BRANCH BANK AT	

In accordance with the authorization of the Fiscal Assistant Secretary, Treasury Department, there is hereby authorized for the account and responsibility of the issuing agency a letter of credit:

IN FAVOR OF State Department of Public Instruction Pierre, South Dakota		FOR DEPOSIT ONLY TO School Food Service programs	
		ACCOUNT	
AMOUNT AUTHORIZED \$ 3,296,737	☐ EACH MONTH ☐ EACH QUARTER ☒ WITHOUT TIME LIMIT ☐	PRIOR AUTHORIZATION \$ 3,634,595	THIS CHANGE Increase Decrease \$ 337,858

☒ The unpaid balance of this letter of credit will remain available until you are advised in writing by the Treasury Department that this letter has been revoked.
OR

☐ The unpaid balance of this letter of credit is revoked at the end of each period indicated and the full amount reestablished at the beginning of the following period until you are advised in writing by the Treasury Department that this letter has been revoked.*

The amount of this letter of credit is hereby certified to be drawn against, upon presentation to you of Form TUS 5401, Payment Voucher on Letter of Credit, by the official(s) of the recipient organization whose signature(s) appear(s) on the Standard Form 1194, Authorized Signature Card for Payment Vouchers on Letter of Credit, attached hereto or previously or subsequently furnished you through the Treasury Department.

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DATE CERTIFIED MAY 18 1971

[Signature]
AUTHORIZED CERTIFYING OFFICER

TYPED NAME AND TITLE

1193-102

☆ GPO: 1968-319 053

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1851

TENNESSEE

BOARD OF EDUCATION,
MEMPHIS CITY SCHOOLS,
Memphis, Tenn., August 16, 1971.

HON. CLIFFORD M. HARDIN,
Secretary of Agriculture,
The Mall, Washington, D.C.

DEAR SIR: As Director of Food Services for a major metropolitan school system, I have been very appreciative of the support School Food Service has received from the federal government. This support has enabled the Memphis City Schools to receive additional local tax monies which otherwise we probably would not have received.

While I was listening to Assistant Secretary Lyng's speech at the American School Food Service Association National Convention, I became concerned about two of his points for this coming school year. Mr. Lyng stated that USDA would not allow block certification of schools for free or reduced price lunches and that school food service operations would have to become more fiscally responsible in the future.

This past year we operated an experimental program in six of our schools in which block certification was used to give free lunches to approximately 8,200 students. In order to more effectively evaluate the totally free lunch program we conducted several surveys to test the advantages of block certification of schools with high densities of poverty. Below are some of the summary statements from the surveys as they relate to fiscal accountability.

1. The cost of lunch tickets or books in the six block certified schools during 1970-71 would have been between \$500 and \$1,000.

2. The labor cost per plate was \$.0306 less in the six block certified schools than the system wide median. This was a savings of over \$44,000.

3. In 1969-70 the cafeterias in the six block certified schools were vandalized 38 times with over \$2,800 in food stolen or spoiled. During 1970-71 there were only 16 break-ins for a total of \$1,300 in losses.

4. We found that in 74 of our schools over 15% of the cafeteria manager's time was spent on paper work, necessitated by free or reduced priced lunches. This loss of operational supervision is extremely expensive.

We also have the results of a teacher-administrator questionnaire and a parent questionnaire which offer support for our block certification schools.

When a school has a designated percentage of the enrollment eligible for free or reduced price lunches, it is more efficient to block certify the entire school. For approximately \$215,000 a year we could block certify all schools which have 80% of the enrollment receiving free or reduced priced lunches. This is a very reasonable expenditure for the dividends which will be rewarded through better nutrition for all students in these schools, more cafeteria supervision, more classroom instructional time, less administrative paperwork and no discrimination practices to the child receiving the free or reduced price lunch.

Sincerely,

TED MCCLLOUD,
Director, School Food Service Division.

BOARD OF EDUCATION,
MEMPHIS CITY SCHOOLS,
Memphis, Tenn., August 25, 1971.

HERBERT D. ROEX,
Director, Child Nutrition Division, Food and Nutrition Service,
Washington, D.C.

DEAR MR. ROEX: This is in response to the Notice of Proposed Rule Making, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

We have some general comments to make on the proposed changes in existing regulations as well as specific comments and suggestions in individual sections.

Comments and Suggestions

1. Section 210.4, new paragraph (f): (a) We object to the establishment of a "base" system to control the distribution of funds to the states. Such a system will even further complicate the financial problems encountered by local school districts last year due to late receipt of federal funds. (b) We agree in principle with the use of Section 32 funds for use as general cash assistance as indicated in the proposals. However, we believe that all states should share in these funds on an equitable basis taking into consideration the need of the individual state as measured by per capita income.

The proposed regulations as outlined will be detrimental to the states with low per capita income and the states that have been successful in providing lunches to a high percentage of children. Each state should receive from Section 4 and/or Section 32 a sufficient apportionment to guarantee a minimum rate of 5¢ per Type A Lunch and where the state's assistance need rate is above 5¢ such state shall be guaranteed a rate per meal equal to the assistance need rate for that state as defined by USDA. (c) We recommend that each state's apportionment from Section 11 and 32 funds guarantee a rate of 40¢ for each free and reduced price meal served to eligible children.

2. Section 210.11, paragraph (c) revised: We very strongly object to setting the maximum rate for special assistance at 30¢ especially when it must be considered in conjunction with the "base" system so that the state wide average rate for special assistance cannot exceed 30¢ for the full year. The impact of this provision will seriously endanger continuance of free and reduced price lunches to children who qualify.

3. Section 210.11, paragraph (d) revised: Specify 40¢ in lieu of 30¢ on line 2.

In the event that the regulations are issued as presently proposed, we very strongly believe that the great progress achieved last year in reaching millions of additional needy children cannot be maintained and that the total goal of providing free or reduced price lunches to all needy children most certainly will not be met.

Last year the Memphis City Schools fed over 7,000,000 free and reduced priced meals. This total is almost 60% of total participation. We estimate our production cost for a Type A Lunch to be 55¢. During the 1970-71 year, over 80% of the schools on the National School Lunch Program operated at a loss.

The new minimum income guidelines from USDA will add approximately seven percent more free lunches to our daily served of 42,000. Food bids for the 1971-72 school year are up approximately 10% over last year. We are negotiating a new union contract with our cafeteria workers. We lost \$750,000 of local taxes this year which was earmarked for free lunches during 1970-71.

We cannot continue our free lunch program as it is presently operated, if USDA puts its proposed regulations into effect. To operate a continuation program would necessitate additional federal support.

Sincerely,

JOHN P. FREEMAN, *Superintendent.*

TEXAS

THE UNIVERSITY OF TEXAS AT AUSTIN,
SCHOOL OF LAW,
Austin, Tex., August 30, 1971.

HON. GEORGE MCGOVERN,
*Chairman, Senate Select Committee on Nutrition and Human Needs, Old Senate
Office Building, Washington, D.C.*

DEAR SENATOR MCGOVERN: We are constantly seeking to add to and improve our library collection which touches on all aspects of law and the legal profession. The publication listed below would be a valuable addition to our collection.

Nutrition and human needs; hearings, 90th Congress, 2nd session and 91st Congress, 1st session. *Part 13B.*

We would greatly appreciate your sending us a copy of the above mentioned publication. If we can in return perform a service for you, please do not hesitate to call on us.

Sincerely yours,

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(Miss) LINDA C. MCBLOOM,
Documents Librarian.

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WASHINGTON, D.C.

THE CHILDREN'S FOUNDATION,
Washington, D.C., August 5, 1971.

Mr. HUGH R. GALLAGHER,
Acting Director, Child Nutrition Division,
U.S. Department of Agriculture, Washington, D.C.

DEAR MR. GALLAGHER: In reference to your letter of August 4, the case in Rockbridge County, Virginia, was not cited in the testimony before the Senate Select Committee on Nutrition and Human Needs, but was part of the statement before the Citizens Board of Inquiry into Hunger and Malnutrition in the United States given on February 15, 1971.

For specific details about this incident about the tenant farmer please contact T.A.P., Box 862, Lexington, Virginia. They cited this case in a letter of December 1970.

The example listed in Grand Rapids, Michigan, was changed as Mr. Herbert Rorex well knows. The change was due in part to the intervention of Senator Philip Hart and the School Lunch Committee of Kent County, 316 O'Keefe Place S.W., Grand Rapids, Michigan 49504.

For details on the Portland, Maine, situation contact the Rural Council for Community Action, Douglas Hill, Maine 04023.

Bread and Justice,

BARBARA BODE,
Vice President.

U.S. DEPARTMENT OF AGRICULTURE,
FOOD AND NUTRITION SERVICE,
Washington, D.C., August 4, 1971.

Miss BARBARA BODE,
Program Director, The Children's Foundation,
Washington, D.C.

DEAR MISS BODE: We are in the process of conducting a thorough investigation of the charges contained in your May 3 testimony before the U.S. Senate Select Committee on Nutrition and Human Needs. However, we have been unable to investigate certain cases because insufficient specific information was given.

In order to resolve these cases could you provide us with details regarding the following allegations:

1. *Virginia (Rockbridge County)*—One family was denied because their father is a tenant farmer, getting a salary, but his free house and 2 hogs were counted as income and his children denied a free lunch.

2. *Michigan (Grand Rapids)*—Families on welfare charged 15 cents for lunch. Local school officials refused to see the families.

3. *Maine (Portland)*—One school would be able to nearly double the number of lunches served per day with the addition of a steam table.

We look forward to hearing from you as soon as possible. Thank you for your cooperation in resolving these complaints.

Sincerely,

HUGH R. GALLAGHER,
Acting Director, Child Nutrition Division.

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Appendix 2

MATERIAL SUBMITTED BY WITNESSES

ITEM 1—FROM MR. LAWRENCE BARTLETT*

POSITION PAPER ON THE CHILD NUTRITION PROGRAM OUTLOOK FOR 1971-72

(ADOPTED UNANIMOUSLY BY THE STATE DIRECTORS ON SATURDAY, AUGUST 7, 1971
AT THE POST-CONVENTION MEETING FOLLOWING THE 25TH ANNUAL MEETING OF THE
AMERICAN SCHOOL FOOD SERVICE ASSOCIATION)

The State School Food Service Directors, a section of the American School Food Service Association, in a post-convention session in Minneapolis, Minnesota, August 7, 1971 wish to state its position concerning the Child Nutrition program outlook for 1971-72 as presented by Secretary Richard Lyng, Administrator Edward Hekman and other officials during the 1971 annual convention.

The frame of reference for this position includes the following official pronouncements:

1. President Richard M. Nixon in December 1969 indicated his intent, which was reiterated May 14, 1970 at the signing of PL 91-248 to put an end to hunger among American school children, and

2. The Congress of the United States has pronounced that it also intended to put an end to hunger in America and which is noted in Section 9 of NSLA as amended by PL 91-248 which states "any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost", as well as in Section 11 (a) which provides authorization for "appropriation as may be necessary" to assure access to the school lunch program under this Act by children of low-income families, and Section 11 (e) which provides that the amount of funds paid to a school shall be based on the need of the school for assistance in meeting the requirements concerning the service of lunches to children.

In light of these pronouncements the State Directors, on behalf of their respective state are committed to fulfill the President's mandate to develop a food service program that would put an end to hunger among America's School Children.

The outlook for 1971-72 as presented by Secretary Lyng and other U.S.D.A. officials makes it impossible to fulfill the mandate presented by the Congress and the commitment of the President. Even with an increased level of funding for FY 1972, and the Congressional intent to fully implement 91-248, the availability of funds is meaningless unless reasonable regulations will permit states to implement the programs.

The State Directors recognize the value of having minimum reimbursement established for all Type A meals, however the 5¢ average proposed for each Type A meal is inadequate in light of current operating and constantly escalating food and labor costs.

The average rate of 30¢ per meal for free and reduced lunches as set forth in proposed regulations is unequivocally inadequate and furthermore we feel that such a limitation would jeopardize the existing program and preclude any expansion to reach the additional estimated 3 to 5 million hungry children in America.

*See p. 1749

The Regulatory restrictions and funding projections as proposed are bringing the school lunch programs to a screeching halt, and will result in a termination of programs in many places. The state plans of operation as prepared for 1971-72 become null and void by each state as the plans were developed in good faith to meet the challenge of the President and Congress to feed the hungry children in America's Schools.

Furthermore the proposed regulations restricting the spending of non-food assistance funds, prohibiting the transfer of funds, and the eliminating of bloc grants will eliminate the flexibility that permitted the states to reach additional children through appropriate programs for the individual states. The concepts contained in the proposed regulations appear to be a reversal of President Nixon's expressed philosophy of Revenue sharing and local autonomy.

The State Directors recognize an un-equivocal need for a minimum average of 40¢ per lunch for free and reduced lunches in addition to general cash for food assistance and the commodity assistance when the commodities are of practical value to the food service system. It seems inconsistent that we pay 4¢ for milk (although we fully recognized its value) and 5¢ for Type A lunches in program schools. It is imperative that the average reimbursement for general cash for food assistance reflect a minimum average rate and consideration for per capita income of the various states.

The State Directors would ask the President, the Congress and Department of Agriculture to determine the priority for Child Nutrition Programs in America. If feeding hungry school children has a high priority, we ask that funds be provided to do the job in a responsible manner. If this determination of priority is not clearly stated and subsequently supported with funds and reasonable regulations, the inevitable facts are these:

1. Schools will be forced to eliminate Child Nutrition Programs.
2. There will be further hardships to America's economy through unemployment and cut-back in consumption of raw resources such as food and equipment.
3. Absenteeism, drop-outs and apathetic students will negate the benefits of the multi-billion dollar investment for public and private schools.
4. Finally, and most important, there will continue to be hungry children in America's schools!!

STATE AGENCY DIRECTORS OF USDA MIDWEST REGION

COMMENTS, SUGGESTIONS, OBJECTIONS, AND QUESTIONS CONCERNING THE FOOD AND NUTRITION SERVICE

AUGUST 25, 1961.

The eleven State Agency Directors of the USDA Midwest Region, namely, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin, met in session in Chicago, Illinois, to discuss the Notice of Proposed Rule Making issued in the Federal Register on August 13, 1971, concerning the Food and Nutrition Service (7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 245).

In a unanimous resolution they submit the following comments, suggestions, objections, and questions.

1. Overall

(a) State Agency Directors had no advance notice of these proposed changes prior to a news release dated August 4, 1971, issued by the Chicago USDA Regional office.

(b) When State Agency Directors contacted the Chicago USDA office, which is usually well informed, this office could offer no information whatever.

(c) Most State Directors had taken action under existing regulations prior to the release, had made agreements with schools regarding free and reduced-price lunches, reimbursement rates, had approved nonfood assistance applications, and had processed other typical administrative details.

(d) State Directors had started management planning as far back as last May to reprogram data processing, revise, print, and mail claim forms to participating schools together with current instructions, issue agreements, distribute a monthly newsletter to schools, and perform other administrative management functions in order to incorporate all major changes in regulations and procedures which took

place during last fiscal year (1971). This was to prepare for fiscal year 1972 operations prior to the opening of schools this fall.

(e) School boards, school administrators, school food service personnel and others had taken action locally (in schools) based on current instructions.

(f) State Directors received the proposed changes in regulations on or after August 16, 1971, after many free and reduced-price lunch policies had been acted upon and approved by the State Agency in accordance with regulations. Approvals were granted to start new lunch and breakfast programs to schools having no program. Some states have reported a firm commitment to provide a 60-cent reimbursement in Indian schools no longer receiving Johnson O'Malley Funds for lunch program operations.

(g) We believe it is an impractical administrative policy for states to implement regulatory changes after July 1.

(h) We observe that Washington, D.C., USDA officials and Midwest Regional USDA officials have explained and interpreted the proposed changes as if they were the final regulations before they received comments, suggestions, or objections prior to the expiration date of August 28, 1971, for receiving such comments.

(i) We also observe that final regulations cannot be issued in the Federal Register prior to the opening of schools provided that the comments, suggestions, or objections which were solicited are read, studied, and given due consideration.

(j) We observe that schools will therefore be forced to operate their child feeding programs for considerable time without adequate information about program operations including reimbursement rates, etc., which are considered essential to good management practices, particularly budgeting.

(k) It is also observed that this USDA announcement comes at the very time schools are processing applications for free and reduced-price lunches. Adverse publicity at this time will cause schools to be less liberal when approving applications for free and reduced-price lunches based on undue hardships.

(l) Therefore, it is our recommendation that these proposed changes be thoroughly reviewed by a committee that will contain a representation of State Directors some of whom have had school administrative experience in schools and understand the problems school administrators and school food service personnel face. In no event should any changes be issued prior to July 1.

Any hasty action by the USDA other than that recommended above will be, in the opinion of the group, detrimental to the entire school feeding program.

(m) We have appointed a committee from among our members to study and compare final regulations with the comments, suggestions, or objections stated herein.

Should this committee find that these comments, suggestions, or objections were ignored, it shall request a meeting with the Secretary of Agriculture for further discussion.

2. Part 210.4(f)

(a) In each of the eleven states, the amount of federal funds available last school year under Section 4 as supplemented by "Interim Action Memo" under Section 32, was greater than the federal funds that have been apportioned for fiscal year 1972 despite the fact that more lunches will be served.

(b) The President's price freeze affects the price of lunches served children. Some state legislatures have imposed tax freezes on their school districts limiting expenditures.

School budgets in some states have been adopted by their boards of education after public hearings have been held. Question: With less Federal reimbursement funds, with increased numbers of lunches to be served, with a price freeze and a tax freeze, where will the money come from to support the program?

The State Directors see two alternatives unless the USDA increases Federal reimbursement: Some schools will have to discontinue their National School Lunch program. Other schools will cut down on the amount of food served to less than minimum Type A requirements.

We remind that either of the above alternatives will affect the hungry child the most, especially the economically needy child who is undernourished.

(c) The proposed change will be detrimental to the expansion of the program because it will be to the financial advantage of States to *not* start new programs in order to decrease the number of lunches served and thereby pay more reimbursement to participating schools in order to keep them financially solvent.

(d) The proposed 5 cent average reimbursement under Section 4 and the 30 cent reimbursement under Section 11 are not realistic nor adequate within the financial framework and restrictions enumerated above.

(e) Despite the fact it was well known to the USDA that during this school year there would be more lunches served, more free and reduced-price lunches served, more new lunch programs started, more new breakfast programs started, and more money needed to help schools purchase needed equipment to start programs, it appears that the USDA did not request additional funds this year above the amount they requested last year.

In this connection, we are told that the Congress appropriated the amount the USDA requested. Apparently, the USDA did not request enough money and are now faced with distributing the available amount under a different method to cover increased numbers of lunches, breakfasts, etc.

It appears that the USDA's request for funds for government commodities was increased to at least provide for the increase in the number of lunches that will be served and to maintain about 7¢ worth of commodities per lunch.

(f) It is imperative that additional funding from Section 32 be provided to guarantee an average of 6 cents per lunch under Section 4 and 40 cents per lunch under Section 11.

We believe this a reasonable and minimal request. For example, a Type A lunch must contain one-half pint of milk in order to be reimbursable and the approximate cost of this milk is about 7 cents.

The total cost of serving a lunch has been estimated by the USDA to be approximately 62 cents.

3. Part 210.11(d)

To base higher rates of reimbursement solely upon (or primarily upon) the cost of operation does not in itself represent financial need.

Most states are not set up administratively to adequately monitor the spending of every lunch and breakfast program operations. With present limited staffing and travel limitations existing in some states, this is possible only in a superficial sense.

Furthermore, this will tend to encourage schools to charge all possible expenditures to their lunch account including many expenses now borne by the school district from general tax funds. This is undesirable.

The fluctuation of, as well as an increase in the cost of operation can easily be brought about. Charges for utilities, telephone, insurance, travel, supervisory duties, matching provisions for FICA and for state retirement plans, cooks' salaries paid out of the general fund, and foods purchased from general tax monies can all be legally charged to the lunch account, among many other charges.

More needed equipment can be purchased, higher wages can be paid after the price freeze is lifted, large supplies of paper goods purchased, and other legal ways can be found to increase the cost of operation.

Under the proposed changes, it is conceivable that higher reimbursement rates would be paid to schools having a cost of operating higher than typical in the state, thereby decreasing the rate of reimbursement which could be paid to more deserving schools. In fact, SCHOOLS THAT MANAGE EFFICIENTLY COULD SUFFER THE MOST FROM A REIMBURSEMENT STANDPOINT, AND SCHOOLS THAT SHOW LARGE EXPENDITURES WILL BE REWARDED.

We urge the USDA to not adopt the cost of operating as the criterion on which to base higher rates of reimbursement under Section 11.

We believe that the most fair and equitable criterion upon which to base higher rates of reimbursement under Section 11 is the percentage of free and reduced-price lunches served in relation to the average daily participation. Such a basis encourages a school to serve more free and reduced-price lunches, not fewer.

4. Part 220.16(b)

(a) Since the proposed change makes no Section 32 funds available for use as nonfood assistance funds, this will positively slow down the expansion of lunch programs to buildings without food service.

(b) This would put many states in a position of not being able to meet commitments made for 1972 under present regulations. Nebraska, for example, has committed \$204,984 to start 27 new programs (schools without previous food service) but has only \$118,899 of nonfood allotment.

The elimination of the use of Section 32 funds for nonfood assistance will cause some schools to cancel equipment orders and their plans to open new programs. Furthermore, it is a complete breakdown of good will and confidence school administrators and boards of education have had in State Agencies and the USDA.

5. Part 245(c)

(a) *History.* Several years ago the regional USDA office encouraged, urged all State Agencies to:

1. Start lunch programs in geographical areas of low socio-economic background and get the school to lower its lunch price to children, overall.
2. Get existing programs in needy schools to reduce the lunch price to children, overall.

As a result, many of the best programs from the standpoint of the economically needy child were started. Participation jumped.

Parents in these needy areas believed that finally the government was taking action for their benefit. It was something they could visually observe, could understand. Under these proposed regulations the sole criterion would be that ALL children would meet the school's eligibility standards for free and reduced-prices. Not just a high percentage, but *all*.

This is interpreted by our group to mean that the USDA is finally setting an arbitrary percentage of 100% which will virtually eliminate these very fine and beneficial programs.

Further, with the present price freeze, schools that had established a reduced price of 20¢ will not be able to raise it back to the regular price. Besides, to raise the price from 20¢ to 40¢ will only result in a sharp decrease in participation and a concomitant sharp increase in operating costs per meal.

We urge the USDA to *not* establish an arbitrary percentage and to allow State Agencies to base their decision on many significant factors including realistic food and labor costs, socio-economic factors, et al. at the discretion of the State Director. Approval should be granted only to individual attendance units upon careful examination by the State agency.

6. *Effective date*

The USDA must do all in its power to avoid the extra work caused last fall when schools were required to resubmit claims for August and September and State Agencies had to implement regulatory changes after the start of the school year.

The effective date of any amendment calling for a major change such as reimbursement rates should be effective July 1st of the year to which it pertains, not mid school year.

7. We express concern for the problem faced by several states caused by the proposed withdrawal of the use of Section 32 funds for school breakfast programs.

Their breakfast program appropriation for fiscal year 1972 is below the total amount expended last fiscal year coupled with the fact that new programs will be starting because of State Agency commitments and promotion.

8. This group appreciates the problems of the USDA, its past efforts, and its splendid record of accomplishments. No ill will is intended in any of these statements.

We are faced with these problems as are the schools we administer. We urgently request that we be represented in policy making procedures affecting matters concerning our area of responsibility.

ITEM 2—FROM SENATOR HART*

DETROIT PUBLIC SCHOOLS,
DEPARTMENT OF FOOD SERVICE,
Detroit, Mich., August 27, 1971.

Re Proposed changes in U.S.D.A. regulations (7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 245) Published in Federal Register August 13, 1971.

HON. PHILIP A. HART,
*Senate Office Building,
Washington, D.C.*

DEAR SENATOR HART: We have carefully reviewed the proposed changes in regulations pertaining to the National School Lunch Program, Non-Food Assistance Program, and Determining Eligibility for Free and Reduced Price Lunches. We find nothing in these proposed changes that would lead us to believe that the U.S. Department of Agriculture is in any way attempting to follow the intent of the Congress in its passage of Public Law 91-248, namely, to provide food service to needy children. In fact, if our understanding of the proposed changes is correct, they will nullify much, if not all, of the progress that we have made during the last eighteen months.

It is extremely difficult for us to understand why the Department has waited until such a late date to make these proposed changes. We know that changes in the regulations have been under consideration for some time as I was a member of the committee that met in March, 1971 to review the regulations and recommend changes. Unfortunately, few of the recommendations that were made by the committee are contained in the proposed changes. The proposed changes, if allowed to stand, will decrease the amount of federal money received by Detroit, at a time when it is being recommended that we liberalize our income guidelines for free lunch, and there is a high rate of unemployment in Detroit. Classes will start September 8. We are in the process of signing a new agreement with the State, yet no one can tell us what rate of reimbursement we will receive. How then do we determine the cost of continuing this program for a Board of Education, that is already deeply in debt and is extremely reluctant to go further in debt. They have made many cut backs in the educational program and if relief is not forthcoming they will have to consider further cut backs. With the course of action that the Department of Agriculture is taking at this time, it is a certainty that the school lunch program will be carefully reviewed if further decreases in Board of Education expenditures are required.

In the last seven years we have increased participation from 24,000 Type A lunches a day in 98 locations to 91,000 per day in 269 locations. In June, 1971, 61% of the total lunches served were served free or at a reduced cost compared to 4% of the total participation that were served free seven years ago. Yet we are only reaching about 45,000 of the estimated 127,000 needy children enrolled in the Detroit Public Schools. We still have about 50 schools without food service. None of them are located in the so called poverty areas, but without a doubt they all have some needy children enrolled.

During the 1968-69 and 1969-70 school years we experienced a loss in the operation of the Food Service Department in excess of \$500,000. Preliminary reports from the Accounting Department indicate that during the 1970-71 school year we lost less than \$25,000. Our prices and menu pattern have remained unchanged since 1967, and our costs have increased. There is no question but that the increased federal funds that we received last year substantially contributed to the decrease in our loss. However, even though we added lunch programs in 60 schools last year we have developed a cost analysis program that has helped

*See p. 1762.

identify excess costs and will permit further cost reductions. Unfortunately, not to the extent that will be required if the changes that have been proposed are finalized in their present form.

In our estimation, after reviewing the changes in regulations, the main problem is the apportionment of monies to the States. Unfortunately, this is not one of the areas that we deal with directly. It stands to reason, however, that unless sufficient monies are apportioned to the State it will not be possible for the State to grant sufficient funds to the school districts. An average of 5¢ of general cash-for-food assistance and 30¢ for each free or reduced price Type A lunch served during the year, will not permit the State to continue our current level of reimbursement without drastically reducing levels of reimbursement in other districts. Drastic cuts in levels of reimbursement for other districts will drive them out of the program, as it also will Detroit. If this happens the base on which the federal payments are based will be eroded and maintenance of current levels will become more difficult. In the process, confidence in feeding programs will also be eroded. If this happens all of the progress that has been made during the last few years, will be reversed and the programs may never recover from this set-back.

We feel confident that on a district basis we would have no trouble meeting the criteria set forth to obtain more than 30¢ for free and reduced price lunches. However, unless the State receives sufficient funds to grant us this additional reimbursement without detriment to other districts, it does us little good to qualify. There was a time when we could accept a verbal commitment that the funds would be forthcoming, but after the summer feeding funding fiasco, we doubt if this will be possible again. It is for this reason that we are very much concerned with the unrealistic funding ceilings proposed, even though it may be possible for a State to receive additional funds later in the year. We are afraid that needed funds would arrive too late to be of any value in starting or expanding programs and that this feature has a built in self-destruction factor that will in time destroy the program.

It is our understanding that under the new regulations a school district will not be able to receive the same rate of reimbursement for free and reduced price lunches, if this rate is higher than 50¢ unless the free lunches served constitute 90% of the total free and reduced price lunches served.

If our understanding is correct we will have a problem in our Astro-Pack or cold lunch program. This program has served as an emergency program for us and has allowed us to provide food in fifty-six schools to 12,000 students; it has permitted us to provide service now, with a minimum expenditure for equipment, and regard for adequate facilities in a school. It is, however, a more expensive program to operate, as we are contracting with a food management firm for the lunches and additional funding will be required if the program is to continue to operate. We don't understand why the State's flexibility should be curtailed in these areas.

If there are abuses in this area, then they should be dealt with on an individual basis. When these abuses are handled by a broad change in flexibility some good as well as some poor programs are destroyed in the process.

In reviewing the proposed changes for Non-Food Assistance, we find them most unrealistic. We know that each year the income guidelines for free lunches will be broadened. This of course, will mean increases in the number of lunches served in existing schools and we need the flexibility of meeting these increased needs when they occur, and not six months later. Further, we have established the Astro-Pack program as an expedient way to provide food service. Yet, it is a temporary program and we want to move to convert these schools to hot lunch programs as facilities and funds permit. It seems that the Department is moving to correct abuses to the program by curtailing the flexibility of all State Directors, rather than dealing with specific abuses. We believe that this is a dangerous practice, and should be avoided.

The changes proposed in Part 245 Determining Eligibility for Free and Reduced Price Lunches, does not affect us. However, it would seem that, in this area, more would be gained if the U.S. Department of Agriculture were to specifically spell out and define in concrete terms what is meant by "reasonable basis." In fact, much of the trouble in this area could have been avoided if this would have been done two years ago.

In summary, we would request that you strongly urge the U.S. Department of Agriculture withdraw the proposed changes, at this time. We believe that

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changes that will not be effective until after the programs have started will be extremely detrimental to the program. If the goal of the U.S. Department of Agriculture is to stabilize the funding of the program and increase its growth, then the change of regulations at this time is in direct conflict with the stated goals.

Sincerely,

HOWARD W. BRIGGS, *Director.*

GRAND RAPIDS, MICH., *August 25, 1971.*

DEAR SENATOR HART: As you know the Proposed Regulations for child nutrition programs, nonfood assistance program funds and eligibility for free and reduced price lunches. (Published in the Federal Register, Aug. 13, 1971.) May result in hundreds of children in Michigan, being cut off from the School Lunch Program. These proposed regulations are in direct contrast to the New School Lunch Laws passed in 1970. We are sure they will create more of a problem than the Summer Feeding Program did.

A great many schools will be forced to drop the lunch program and expansion will be impossible for a large number. These new regulations would create a state of confusion among school officials. It will be October or November before they know what they can or can not do. Also they may cause schools to violate administration procedures and program law without even knowing it. They also may be forced to reimburse the Federal Government for feeding children exactly as they did last year.

Why is it that when Government agencies make a mistake it is usually the child who gets hurt? And you can be sure if these new regulations go through a great many children will suffer. This is the year the word "Economy" is in, and needy children seem to be the ones who are always affected by these economy moves. Maybe it's because as a pressure group they (the children) are not very effective. Since the children can not speak for themselves, we'll just have to do their lobbying for them.

Please help by asking the USDA to continue operating under their current regulations until January in order for states and schools to study new proposals, and be able to implement the final versions without disrupting food service for children. Also find a way of convincing the USDA to release funds they have and will not use.

Please do what ever you can. This matter is most urgent.

Thank you very much.

Mrs. RICHARD PARSACA,
Mrs. RONALD VANCE,
Michigan School Lunch Committee.

ITEM 3—FROM SENATOR COOK

TODD COUNTY BOARD OF EDUCATION
Elkton, Ky., August 30, 1971.

Senator MARLOW W. COOK,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR COOK: May I call your attention to an urgent need in the area of the Child Nutrition Program for 1971-72. Information that I have received indicates that reimbursement rates being established by the United States Department of Agriculture for the current fiscal year will not exceed 35¢ per meal for free and reduced price meals. School districts are required by law to provide such meals to families covered by the poverty income scale declared by the Secretary of Agriculture, we are required by law to meet the federal minimum wage for labor, and must pay food bills in order to have food to prepare. How can the Child Nutrition program continue to exist when actual costs exceed rates of reimbursement for these free and reduced price meals?

In fiscal year 1970-71 the cost of preparing and serving a Type A meal in our school district was 45¢. Our reimbursement totaled 38¢ per plate for the 25% free meals served. This deficit was absorbed by meager reserves. With increased food costs and anticipated labor increases we can have a loss of approximately 13¢ per meal in the current year on an estimated 30% of the meals served to poverty families.

We cannot continue to operate programs in our schools on this basis. The paying child who has been the backbone of the financial operation for years and the low-income child will all be without lunches at school if this reimbursement structure proposed by USDA becomes a reality.

What is the intent of our nation? Are we serious about providing nutrition for all? We are fast approaching a time of providing no lunches at school and the nutrition that this insures. Your help in avoiding this disaster is urgently needed.

Sincerely yours,

Mrs. HELEN A. DAVIS,
Food Service Director.

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF EDUCATION,
Frankfurt, Ky., August 27, 1971.

Hon. MARLOW W. COOK,
U.S. Senate,
Washington, D.C.

DEAR MR. COOK: At a meeting of State School Food Service Directors and USDA officials in Atlanta, Georgia, during the week of August 23, 1971, the announcement was made that no additional funds other than those available as a result of PL 92-32 were available to continue the Breakfast Program during FY 1972. This was quite a shock to me as Director of the School Food Services for Kentucky and a fear that consternation would reign among local school officials in more than 500 schools should it be necessary to cancel the Breakfast Programs at the end of September, 1971. PL 92-32 will provide only sufficient funds for the months of August and September combined for School Breakfast. During FY 1971 more than \$1,000,000 from Section 32 funds were used to continue the Breakfast Program in Kentucky schools and it is anticipated that an equal or greater amount would be needed for FY 1972.

Could it be that there is a difference of opinion between the Congress of the United States of America and the U.S. Department of Agriculture as to the use

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of Section 32 funds? It seems to me to border on being ridiculous to recognize the fact that the USDA be permitted to use a Congressional appropriation in such a manner as to curtail those activities for which the funds were appropriated to say nothing of the future use to which they might be put.

As it stands now the only source of funds for the continuation of the Kentucky School Breakfast Program is Section 32. We sincerely request that steps be taken to cause these funds to be released immediately in such amount that the Breakfast Program can be continued during the 1971-72 school year.

Sincerely,

C. E. BEVINS,
Director, Division of School Food Service.

FULTON COUNTY SCHOOLS,
Hickman, Ky., September 2, 1971.

Hon. MARLOW COOK,
*U.S. Senator,
Senate Office Building, Washington, D.C.*

DEAR SIR: We have received a communication indicating the intent of USDA to provide a maximum 30¢ rate of reimbursement for free meals plus an additional 5¢ from Section 4 funds. This total of 35¢ is less than our average cost per lunch last year and our costs are higher this year.

Our average cost per meal for serving lunches in the elementary schools during the period beginning February 1 and ending May 28, 1971 was 42.5¢. At the high school, our cost per meal was 53¢.

Last year we served 99,712 free lunches in our five Fulton County Schools. We also served 17,445 lunches at a reduced price of 15¢. This makes a total of 117,157 lunches which constitutes 55% of the total number of lunches served.

We are now processing applications for free and reduced price lunches for this year. We believe we will have to serve as many such lunches this year as we did last year.

Last year we were allotted 15¢ per lunch from Title I funds for each free or reduced price lunch served. This year the Title I authorities will only allow us the difference between the reimbursement rate for free lunches and the regular price of lunches. Our regular lunch prices are as follows: 1st grade through 3rd grade, 25¢; 4th grade through 8th grade, 30¢; and high school lunches, 35¢.

As you can see we cannot use any Title I money this year unless we raise the price of our regular lunches. The wage-price freeze will not allow us to raise our prices.

Unless we are allowed to raise our lunch prices or get more USDA foods and more reimbursement than last year, we will soon be operating in the red.

Please use your influence at the hearings on September 9, to get our rate of reimbursement increased rather than decreased.

Very sincerely yours,

HAROLD GARRISON,
Superintendent, Fulton County Schools.
JANE WATTS,
School Food Service Director.

CAMPBELL COUNTY SCHOOLS,
Alexandria, Ky., September 3, 1971.

Hon. MARLOW COOK,
*U.S. Senate,
Washington, D.C.*

DEAR SIR: I learned today that the USDA plans to provide 30¢ reimbursement for free meals, plus an additional 5¢ maximum from Section 4 funds. This would provide only 35¢ in reimbursement for meals we are required to serve free. The cost of these meals exceed this amount. Last year we served 25,697 free lunches. In 1971-72 we are estimating 32,500 free lunches.

The cost of operating the School Food Service Program in Campbell County, Alexandria, Kentucky last year was \$300,000.00. The cost of operating the School Food Service Program this year is estimated at around \$380,000.00.

With the increasing cost of operating our Food Service Program and more free and reduced-price lunches, I feel that the Child Nutrition Program is at stake if reimbursement cannot be higher. No business can operate on deficit spending.

Sincerely yours,

DORIS WATTS,
Director, Campbell County School Lunchrooms.

ITEM 4—FROM JOSEPHINE MARTIN*

STATEMENT OF JACK P. NIX, GEORGIA STATE SUPERINTENDENT OF SCHOOLS AND COORDINATOR, SCHOOL FOOD SERVICE COMMITTEE, COUNCIL OF CHIEF STATE SCHOOL OFFICERS

Mr. Chairmen and members of the committee, I am Jack Nix, Superintendent of Schools in Georgia, and Coordinator of the School Food Service Committee of the Council of Chief State School Officers. I regret that my schedule does not permit me to appear before the committee in person. I am grateful for the opportunity of filing a statement with the committee regarding the regulations proposed by the United States Department of Agriculture for administering the School Food Service Programs.

We believe that the School Food Service Program is an important part of the child's school day. We believe this so strongly that all school facilities in Georgia financed in part or all with state funds must have provisions for school food service. We believe this so strongly that the State Board of Education requests and receives state funds to help meet rising labor costs, as sale price increases are reflected in lower pupil participation.

We believe that adequate nutrition and sound food habits are essential for all children. During the 1970-71 school year, 83 per cent of Georgia's children in attendance had lunch at school and by April 34 per cent of these lunches were served at a reduced cost or no cost to economically needy children.

We are proud of Georgia's heritage in school lunch which includes the long time sponsorship and support of the late Senator Richard B. Russell, and the leadership and support of Senator Herman E. Talmadge in sponsoring school lunch reform legislation in the Senate and in the passage of appropriations to implement the National School Lunch Act and Child Nutrition Act as amended by PL 91-248. In my opinion, the Congress has provided a sound legal framework for Child Nutrition Programs.

It is from this background, and my experience as a county school superintendent in Appalachia, State Superintendent with the eighth largest school food service program in the United States, and Coordinator of the School Food Service Committee of the Council of Chief State School Officers that I speak today in concern for the future of school food service in Georgia and in the other states if the proposed USDA regulations are not set aside.

Effective implementation of any program requires realistic regulations and adequate funding. Educational administration in 1971 whether it be at the local, district, or state level is complex. School people are in a state of turmoil resulting from the economic crises, taxpayers rebellion, court orders, and rapidly expanding and changing situations resulting from social and technological changes.

Because of this position in which our society is placed there is a great need to simplify administrative procedures, to permit more local autonomy, to provide more flexibility in use of funds and to have adequate funds to fulfill congressional mandates.

The proposed regulations of USDA do not meet these requirements; although many Chief State School Officers were of the opinion that the regulations issued September 4, 1970 were restrictive, they were liberal by comparison with the proposed regulations.

Because of the concern of Chief State School Officers regarding the regulations published September 4, 1970 and the failure of USDA to make changes in spite of requests by State School Food Service Directors, eight Chief State School Officers (from Florida, Tennessee, South Carolina, Louisiana, Arkansas, Alabama, Mississippi, Georgia) or the deputies, and the eight School Food

*See p. 1778.

Service Directors met on March 5, 1971 to analyze the regulations, and to make recommendations to be delivered to USDA. On March 30, Dr. Floyd Christian, President of Council of Chief State School Officers and Florida Commissioner of Education; Mr. Lawrence Bartlett, Chairman of State Directors Section of American School Food Service; Josephine Martin, Georgia's School Food Service Director and I delivered those recommendations for proposed changes in regulations to Assistant Secretary of Agriculture, Richard E. Lyng.

Because of the significance of the recommendations as related to the crises we face today, I mention several of the recommendations made to Secretary Lyng March 30.

1. That USDA involve Chief State School Officers and State School Lunch Directors in preparing needed regulations.

2. That USDA make available to the State Educational Agency no later than May 1, 1971 changes that will relate to program administration and operation during the following fiscal year.

3. That the Secretary make the Income Poverty Guidelines available by July 1. (This recommendation was followed, and the guidelines delivered before July 1.)

4. That USDA provide a regulation to allow and encourage fund transfer between sources.

5. That USDA delete the requirement for 12 cents from Section 4 funds before being allowed to exceed 30 cents for free and reduced lunches.

6. That USDA delete requirements for states to pay same rate from Section 4 funds for needy and non-needy lunches.

Mr. Lyng was most cordial and indicated that he appreciated the concern of the Chief State School Officers, that the recommendations would be considered and that in a follow-up conference, opportunity would be provided to discuss the disposition of the regulations.

We were pleased that the Secretary announced the Income Poverty Guidelines early, as this was an indication that the recommendations were being considered.

The Secretary's Income Poverty Guidelines increased the income level for eligibility for free lunches. The income level of a family of four eligible for free or reduced lunches increased from \$3,720 per year to \$3,940 per year, thereby, increasing the number of children eligible for free and reduced lunches. However, no information was available on specific changes proposed in regulations until August 13 when the proposed regulations were published.

As the new school term begins for many schools in early August, states were faced with the need to advise systems of rates of reimbursement. Having no indication of the impending drastic change and being knowledgeable of the appropriation, some states announced rates following the 1971 regulations. Cost projections were made on the basis of 1971 allotments and state plan of operation projections.

These projections and plans took advantage of the flexible use of Section 32 funds, the transfer authority, the rate ceilings in April, May, 1971. These projections considered PL 92-32 as a congressional commitment to extend and expand school breakfast; these projections considered the increased Income Poverty Guidelines as encouragement to extend school food service to more children. In good faith, the State Directors planned for the 1971-72 year when great progress was made toward implementation of PL 91-248.

But the planning was all in vain. When USDA released the proposed regulations on August 13 allowing two weeks for a reaction, we were shocked. At first, some of the provisions seem to be progressive. But as the fine print was read, and the restrictions were noted, there was a cognizance that the regulations will not help implement the program of PL 91-248, but will deter the further development and even prohibit maintenance of existing programs.

On the basis of the late 1971 program regulations and publicity relating to school food service appropriations, most Title I funds, and OEO monies, were withdrawn from school food service as the publicity indicated that sufficient funds were available through USDA for food service. Georgia schools had used up to \$3 million per year of Title I funds to supplement USDA funds. Not only do we lose those but the loss from the new formula will be about \$3.5 million to \$4 million.

A copy of my letter to Mr. Herbert Rorex relating to the proposals follows:

STATE DEPARTMENT OF EDUCATION,
OFFICE OF SCHOOL ADMINISTRATION SERVICES,
August 23, 1971.

Mr. HERBERT ROREX,
Director, Child Nutrition Division, Food and Nutrition Service, U.S. Department
of Agriculture, Washington, D.C.

DEAR MR. ROREX: This letter is in response to the notice of proposed rule making published in the Federal Register August 13 to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

I unequivocally oppose the:

- (1) Method of apportioning Section 32 money.
- (2) The proposed restrictions on the states pertaining to the use of such money.
- (3) Plan to make the regulations effective on a retroactive basis.

My objections are based on:

- (1) The negation of congressional intent.
- (2) The negation of the formula established in the National School Lunch Act for apportioning Section 4 funds.
- (3) The removal of program management from the jurisdiction of the states educational agency to Washington.
- (4) The disadvantage of these regulations to the states with lowest per capita income—36 states would be hurt.
- (5) The disadvantage of these regulations to states that have served the highest percentages of children over the years.
- (6) The impossible situation in which you place local school administrators. The law says that all children who meet eligibility standards for free and reduced price lunches have a right to a meal; and yet, these proposed regulations make it impossible to accomplish unless large deficits are incurred or additional funds are supplied by local agencies; and yet, Congress indicated its intent for local matching funds through PL 91-248.
- (7) The inconsistency of the regulations as related to President Nixon's statement of intent May 14, 1970.

If the proposed regulations become effective, I foresee a definite set back in school food service programs. Neither can the quality of food service nor the number of children be maintained.

I can truly appreciate the problem of tight money and deficits. However, I cannot understand the rationale for USDA to recommend expansion and simultaneously proposed payments that make expansion or even maintenance impossible.

If I seem lightly alarmed over the proposed regulations, it is because I am. An analysis of the proposed formula of 30¢ or 5¢ applied to operations in six school systems of varying size is shown below:

	Paid 1970-71	New formula	Difference
Atlantic City.....	\$3,006,001.28	\$2,767,479.60	-\$238,521.68
Meriwether County.....	157,497.85	138,497.80	-19,000.05
Hall County.....	187,737.95	146,751.25	-40,986.70
Wheeler County.....	57,685.52	52,248.55	-5,436.97
Decatur County.....	169,668.42	151,512.00	-18,156.42
Chatham County.....	757,930.65	678,844.10	-79,086.55

Comments related to specific sections of the proposed regulations are attached.

Sincerely yours,

JACK P. NIX,
State Superintendent of Schools.

School administration in Georgia, and I believe nationally, have made a concerted effort to implement the law in accordance with congressional intent. The non-food assistance funds available by virtue of the flexible use of Section 32 funds helped smooth many rough spots in reorganized schools and made it possible to continue food service to children. The numbers of children reached with lunch and breakfast has increased at a phenomenal rate.

However, these proposals, including the late date of delivery have already caused damage to school food service programs for 1971-72.

Appendix 3

MATERIAL SUBMITTED BY OTHERS THAN WITNESSES

OPEN LETTER TO SECRETARY LYNG

FOR PUBLICATION IN THE OCTOBER ISSUE OF SCHOOL FOODSERVICE JOURNAL

September 1, 1971.

HON. RICHARD S. LYNG,
*Assistant Secretary, U.S. Department of Agriculture, Marketing and Consumers
Services, Washington, D.C.*

DEAR MR. SECRETARY: Your audience in Minneapolis was much taken aback by both the content and the approach of your remarks. Both seemed to be in regrettable contrast to the statement made two days before which described our strong working relationship with USDA as one of the basic pillars of Association policy over the past quarter century.

You have described the school lunch program, Mr. Secretary, as a "joint venture." It would appear that the only respect in which it is a joint venture is that of funding; in other respects, the thrust of your remarks indicates rather strongly a federal venture. You speak of approaches to feeding of the poor which you "will not tolerate." You speak of punishment for schools or states deviating from your regulations, you speak of those who will not agree but who have "an obligation to faithfully abide," you speak of discipline.

We feel, Mr. Secretary, that the most effective discipline which could be exercised in the administration of school foodservice programs would be a discipline of continuity on the part of the Department of Agriculture. School administrators across the nation become increasingly reluctant to be drawn into programs one year and left stranded another year. The feeding of hungry children is a program which provides a prime example. The Congress, by the passage of P.L. 91-248, and the President of the United States by his remarks before, during and following the White House Conference on Food, Nutrition and Health have made it indelibly clear that feeding of hungry children in our schools was to be a prime priority of this government. As a matter of fact, school administrators are now required by law to address the question to every parent of a school age child in the nation, "Does your child need a free or reduced-price meal at school?" Unfortunately, the Department has not oriented its approach to the answers received. It continues to take the approach that the stipulated amount of money budgeted must be made to do, no matter how thinly it is spread.

The school administrators are left stranded right in the middle: On one hand they are required by federal law to extend the offer and on the other hand, are deprived by federal regulations of the means of fulfilling the promise.

We would also disagree with the approach you have taken to universal school foodservice. Although we would agree that it is not logical to spend more money on school foodservice than for all the balance of education put together, we would respectfully suggest that the proper approach would be to expand federal funding for education, rather than to penalize the nutrition programs of the children of this nation. The August 30, 1971 decision by the California State Supreme Court regarding property taxes as a base for education bears out our point. School foodservice is in the vanguard of educational thinking in its emphasis upon federal funding. There can be no question but that the major burden of educational expense must be carried by the federal government, which also receives the major portion of tax receipts. As educational costs arise and as

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property taxes have reached the satiation point, school district operation is literally breaking down from one end of the country to the other.

Two cases in point have come to our attention within the past week, singularly one community on the west coast and one on the east. In each case, school foodservices have been cancelled by Boards of Education, not because it is unwanted, not because it is unwanted, but rather because it is so badly needed and so strongly wanted it is being used as a lever to extract more local taxes from the communities in question. Hungry children are being victimized as a result. Never, while school foodservice must continually fight for its survival, must continually fight for its place in education, must continually fight for its presence on school campuses, never while school foodservice is relegated to a ticket-taker side show can the program develop its rightful potential. Only with universal school foodservice can we concentrate our efforts on such vital aspects of school foodservice as constantly improving quality and the nutrition education of our children.

Mr. Secretary, it now appears that never, until we have a universal school foodservice mandated by law as to both scope and federal support, can we anticipate the type of disciplined budgeting which will make an on-going program a reality—a reality which can never be achieved by ephemeral year-to-year support.

Sincerely,

JOHN PERRYMAN.

September 1, 1971, copies for reaction to: Miss Josephine Martin and Mr. Daniel G. Wisotzkey.
Copy to: Judith Zaranka this date.

STATEMENT OF THE NATIONAL MILK PRODUCERS FEDERATION

Mr. Chairman and members of the committee, I am Patrick B. Healy, Secretary of the National Milk Producers Federation. The Federation is a nation-wide farm commodity organization.

It represents dairy farmers and the dairy cooperative associations which they own and operate. These cooperatives range from small groups to very large federated organizations. They operate throughout the continental United States and in Alaska.

I warmly commend you and your Committee for conducting hearings on the impending crisis in the National School Lunch Program.

As long-time supporters of the School Lunch Program, as well as other child nutrition programs, we are strongly opposed to the proposed cut-backs reducing Federal reimbursement from 60 cents to 35 cents per meal for needy children; and from 12 cents to 5 cents for all children.

As revealed in the hearings before your distinguished Committee, there is substantial under-nutrition and hunger in this country. Consequently, there is a need for larger—not diminished—efforts in the school lunch and other child feeding programs. In our national effort to up-grade our quality of life, good nutrition for the health and well-being of children is absolutely essential.

In January 1971, almost 25 million children were receiving lunches in about 79,000 schools. To diminish support for this program would impair the health of millions of children. In addition, it would create economic hardships for states.

Your public hearings on this crucial matter, we hope, will result in a reversal of the decision to reduce reimbursement for school lunches by the U.S. Department of Agriculture.

In 1970, Congress enacted Public Law 91-248. It clearly provided a mandate to provide lunches for every needy child in the nation. For children who could not afford to pay, the lunch was to be provided free. If the reimbursement is reduced, this will not be possible without additional burden on states and local communities.

Reducing the reimbursement will have other adverse affects upon the program, including:

1. It will raise the price of a school lunch for children who can afford to pay:

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2. It will increase the cost burden upon the states and local communities—including possibly higher school taxes;
 3. It will discourage expansion of the program to more schools;
 4. It will run contrary to the spirit and intent of Public Law 91-248.
- Because of such factors, it is our judgment that—rather than diminish support—new, innovative, aggressive efforts are needed to improve and expand the child feeding programs for maximum participation of children; and to hasten the day when malnourishment and hunger will be eliminated from our country.
- Thank you very much.

FROM REPRESENTATIVE DR. WILLIAM R. ROY

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 30, 1971.

Hon. GEORGE MCGOVERN,
Chairman, Committee on Nutrition and Human Needs,
New Senate Office Building Annex.

DEAR SENATOR MCGOVERN: I am enclosing some information from one of my constituents regarding a reduction in reimbursement for free and reduced priced lunches for 1971 and 1972. Ms. Scholz would like for this material to be included as a part of the official testimony of the hearings of the Select Committee on Nutrition and Human Needs.

Thank you for your consideration.
Sincerely,

WILLIAM R. ROY,
Member of Congress.

KANSAS STATE DEPARTMENT OF EDUCATION,
DIVISION OF ADMINISTRATIVE SERVICES,
Topeka, Kans., August 31, 1971.

Hon. WILLIAM R. ROY,
Topeka, Kans.

DEAR REPRESENTATIVE ROY: I understand representatives of the State Directors Section of the American School Food Service Association will be testifying in Washington on Tuesday, September 7, opposing the proposed amendments to the regulations concerning a reduction in reimbursement for free and reduced priced lunches for 1971 and 1972.

The chairman of the State Directors Section has asked me to submit to you the attached information.

Sincerely,

RUBY SCHOLZ,
Director, School Food Services.

U.S. DEPARTMENT OF AGRICULTURE,
FOOD AND NUTRITION SERVICE,
Dallas, Tex., August 17, 1971.

Subject: Proposed Revisions to Regulations (7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 245).

To: All State Directors (Child Nutrition Programs).

Copies of the proposed amendments to the regulations were mailed by the Child Nutrition Division to all interested parties on August 12, 1971. They were published in the Federal Register on August 13, 1971.

We have learned from one state agency that as of today they had not received their copy of the proposed amendments. Consequently, we are sending a copy herewith to insure receipt by each State Director.

Please notice that comments and suggestions are to be sent to Mr. Rorex and must be postmarked not later than August 28, 1971.

MARTIN GARBER,
Regional Administrator.

KANSAS STATE DEPARTMENT OF EDUCATION,
DIVISION OF ADMINISTRATIVE SERVICES,
Topeka, Kans., August 27, 1971.

Dr. WILLIAM R. ROY,
Topeka, Kans.

DEAR DR. ROY: This is in response to the *Notice of Proposed Rule Making*, published August 13, 1971, in the Federal Register to amend the regulations governing the operations of Federal-State Child Nutrition Programs.

As Director of the Kansas School Lunch Program, I concur with the comments of Lawrence Bartlett and Josephine Martin of the Director's Section of the ASFSA (See Attachments) on the proposed changes in existing regulations.

The Kansas situation is as follows:

The average meal cost in Kansas schools is 44¢-48¢. In some cities the cost is as high as 56¢.

February through May in 1971, Kansas paid 12¢ plus 35¢ or 40¢ reimbursement to those schools serving more than 25% free and reduced price meals.

The reimbursement as stated in the proposed regulations (5¢+30¢) is 10¢ and 15¢ less than the reimbursement paid to 190 attendance centers for free and reduced price meals for the period of February through May, 1971.

Additional non-food assistance funds from Section 32 are required if continued expansion is expected in all programs.

Note from these facts that Kansas is in need of more assistance than the regulations as written will provide.

I shall greatly appreciate any assistance in providing additional funds.

Sincerely,

RUBY SCHOLZ,
Director, School Food Services.

City or State : Kansas

1. How much did it cost to produce a Type A lunch during the 1970-71 school year? Do not include the value of USDA donated commodities.
44-48¢
2. How many free or reduced-price lunches did your State or School System serve during 1970-71 school year?
4,766,830
3. How many free or reduced-price lunches do you expect to serve this year (1970-71)?
6,595,865
4. What would have been the loss per meal during last year 1970-71 if you had received only 35¢ federal reimbursement for free or reduced-price lunches?
10¢
5. How much money will your State or School System lose in 1971-72 if you receive only 35¢ federal reimbursement for free or reduced-price lunches?
\$659,586.50

NOTICE

DEPARTMENT OF AGRICULTURE
Food and Nutrition Service

(7 CFR Part 210, 7 CFR Part 220, 7 CFR Part 245)

Notice of Proposed Rule Making

In order to provide more effective use of funds made available for the National School Lunch Program and the Nonfood Assistance Program and to eliminate many problems relating to the management of program funds, we are amending the related regulations. These amendments will be published in proposed form in the Federal Register before they are issued in final form, in order to obtain comments and suggestions thereon from interested persons and agencies. These will receive full consideration before the regulations are issued in final form.

We welcome your comments and appreciate your cooperation.

EDWARD J. HEKMAN,
Administrator, Food and Nutrition Service.

Appendix 4
ARTICLES OF INTEREST

News Previous to Hearing

[The Washington Evening Star, Aug. 25, 1971]

McGOVERN ASKS LIFTING OF SCHOOL-LUNCH RULES

Sen. George McGovern is asking the Department of Agriculture to withdraw new school-lunch regulations, contending that they could curb expansion of the program, according to a staff member.

Gerald Cassidy, general counsel for McGovern's Select Committee on Nutrition, said yesterday the number of children receiving school lunches under the program is expected to increase by almost 2 million this year, "and I know they can't reach them under this budget."

McGovern, a Democratic presidential candidate from South Dakota, acted after the school-lunch directors of 33 states accused the Agriculture Department of bringing school-lunch programs to "a screeching halt" less than a month before schools open.

ANNOUNCED AUG. 13

At an Aug. 7 meeting of the American School Food Service Association in Minneapolis, the directors said the new regulations set spending ceilings that are unequivocally inadequate. The regulations were announced Aug. 13 but the association executives had been given a preview of them before Aug. 7.

McGovern feels "the only reason that these regulations could be offered would be to curb expansion of the program and to conserve funds under the inadequate budget that the administration has requested for the program," Cassidy said.

If the regulations are not changed, Cassidy said, "we expect to have a hearing to explore the purposes behind adopting this policy."

The state school-lunch directors said the new regulations place greater restrictions on how they can spend federal school lunch funds and, considering the rising costs of food and labor, give them less to spend.

"Fiscal discipline is always difficult but it is absolutely essential . . . if we're to live within our budget," said Asst. Secretary of Agriculture Richard Lyng when he announced the regulations.

The Department of Agriculture, which administers the school-lunch program, said it helped feed 5.1 million hungry school children in the preceding year, and 7.3 million last year.

"They should be reaching this year 9.1 million," Cassidy said. But, he said, the department had asked for exactly the same amount of money from Congress this year that it had last year.

Jack Quinn, another staff-member of the McGovern hunger committee, said this year's request was \$225 million for regular lunches for all children, \$256 million for free or reduced-price lunches for needy children, and \$16.1 million for kitchen equipment and similar nonfood items.

MORE AUTHORIZED EARLIER

Congress authorized spending \$33 million for equipment this year when it wrote the law two years ago, Quinn said.

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He said most of the 23,000 schools that still have no lunch programs are either older inner-city schools or rural schools, both with no lunchrooms, and with a high concentration of poor children who qualify for free or reduced-price lunches.

A higher equipment appropriation would help bring them into the program, he said.

The school-lunch directors termed inadequate the average limit of 5-cents the federal government will pay for each regular school lunch under the new regulations, and the 30-cents for each free or reduced-price lunch.

[The Denver Post, Aug. 26, 1971]

McGOVERN CHARGES: "TOP BOSS" BLAMED FOR LUNCH CUTS

Sen. George McGovern charged the Nixon administration—specifically the "top boss"—with trying to thwart the will of Congress by cutting back the federal School Lunch program.

The South Dakota Democrat, chairman of the Senate Select Committee on Nutrition, said in a Denver press conference Wednesday that he was "outraged" by school lunch regulations issued Aug. 13 by the Agriculture Department.

"I don't think it was just an accident that these regulations were announced while the Congress was in recess," he said.

A reporter asked who he thought was to blame.

We will not know the extent of the damage until November or December. Principals expecting 42 cents being notified that their school lunch rate was 36 cents question the program: State Education Agencies announcing expanded eligibility standards in late July, and then notifying schools of reduced rates in August; some states announcing rates in July, and retracting in August, and finally states being told on September 1 that breakfast programs expansion must be held within the state's apportionment of \$18.5 million. These are but a few of the frustrations that will result in a crippled program including its integrity!

But the damages can be healed if sufficient funds and reasonable regulations are established immediately. I support the specific recommendations of the American School Food Service Ad Hoc Committee: I urge that you request USDA to set aside the proposed regulations until a reasonable set of regulations with realistic funding patterns can be prepared. Mr. Chairmen, additional funds may be needed from the Congress to achieve the commitment of PL 91-248. If, however, the states are mandated to implement the law (and we think it is a good one) then we ask the Congress of the United States to provide the money and insist that USDA provide a framework, based on legislation, within which the states and local system could do the job.

In behalf of the Chief State School Officers of the United States, I thank you for providing this opportunity for us to react to the proposed USDA regulations.

"I blame the top boss," he said. "I blame the President of the United States. . . . I think orders came directly from the executive branch of the government—from the White House—to the Department of Agriculture."

"I think the Secretary of Agriculture was told, you cannot operate a school lunch program that goes beyond a certain cost, and we want you to develop guidelines that will keep this feeding program within those guidelines."

"And that is not what Congress intended," McGovern said.

The senator was in Denver for the day chiefly to attend a Methodist Church convention and to rally Democratic support for his campaign for the presidential nomination in 1972.

Congress meant the lunch program to be expanded, he said, and appropriated the funds, but the money is now being "impounded," by the Bureau of the Budget in an "arbitrary" action of the executive department.

He estimated the new executive regulations, if allowed to go into effect next month, will raise the daily lunch cost 25 cents for each pupil—money that would have to be provided directly by families, by school districts or by State governments if the program is to continue.

AID PLAN IN REVERSE

"To me, that's a peculiar way to carry out the President's revenue sharing proposal," McGovern said. "I think that's revenue sharing in reverse—and with a vengeance."

"We're going to call special hearings, emergency hearings," the senator said, "and we're going to nail this thing for what it is—an effort to thwart the will of the Congress of the United States."

McGovern spoke with reporters after touring the George Washington Carver Day Care Center, 2270 Humboldt St., where 80 children were having lunch—subsidized under the Federal program—and playing on the playground.

Also present was Dan Wisotzkey, school lunch director for the State Education Department. Wisotzkey said he's concerned about possible consequences of the new Federal regulations, which would affect Federal reimbursement of the states, but he hasn't yet made a full study.

Wisotzkey said he'd heard of one school system in the South where the new regulations would mean a difference of \$300,000 a year in Federal support.

McGovern said the Agriculture Department earlier had announced plans to cut off funds for summer lunches at day care and Head Start centers. His committee, he said, was instrumental in reversing that decision.

If that plan had gone into effect, McGovern said, Colorado would have received only 15 percent of the funds it had requested for the summer program.

PROGRAMS ENDANGERED

The new, proposed regulations "would not only preclude any expansion of the school lunch programs, they would seriously endanger existing programs," McGovern said.

McGovern asked many questions at the Denver day care center about the background of the children, where they live and what their parents pay.

Earlier, McGovern attended a meeting of the World Methodist Council, of which he is a member, at the University of Denver arena.

McGovern listened to about an hour of the proceedings and then left quietly with a Methodist official, stopping to shake hands on the way out.

A small group of young persons, adults and reporters followed him and he talked to them before stepping into a waiting car.

Methodist officials said the senator had rejected an offer several months ago to speak to the council.

[The Washington Post, Aug. 26, 1971]

McGOVERN JOINS PROTEST: MORE MONEY ASKED FOR SCHOOL LUNCHES

Sen. George McGovern's office says the South Dakota Democrat is asking the Department of Agriculture to withdraw new school-lunch regulations, contending that they could curb expansion of the program.

Gerald Cassidy, general counsel for McGovern's Select Committee on Nutrition, said the number of children receiving school lunches under the program is expected to increase by almost 2 million this year, "and I know they can't reach them under this budget."

McGovern, a Democratic presidential hopeful acted after the school-lunch directors of 37 States accused the Agriculture Department of bringing school-lunch programs to "a screeching halt" less than a month before schools open.

At an Aug. 7 meeting of the American School Food Service Association in Minneapolis, the directors said the new regulations set spending ceilings that are unequivocally inadequate. The regulations were announced Aug. 13 but the association executives had been given a preview of them before Aug. 7.

If the regulations are not changed, Cassidy said, "we expect to have a hearing to explore the purposes behind adopting this policy."

The State school-lunch directors said the new regulations place greater restrictions on how they can spend Federal school lunch funds and considering the rising costs of food and labor, give them too little to spend.

"Fiscal discipline is always difficult but it is absolutely essential . . . if we're to live within our budget," said Asst. Secretary of Agriculture Richard Lyng when he announced the regulations.

The Department of Agriculture, which administers the school-lunch program said it helped feed 5.1 million hungry children in the 1969-70 school year, and 7.3 million last year.

"They should be reaching this year 9.1 million," Cassidy said. But, he said, the department had asked for exactly the same amount of money from Congress this year that it had last year.

The school-lunch directors termed inadequate the average limit of 5 cents the Federal Government will pay for each regular school lunch under the new regulations and 30 cents for each free or reduced-price lunch.

[The Providence (R.I.) Evening Bulletin, Aug. 28, 1971]

LUNCH CUTS HIT SCHOOLS

By C. Fraser Smith

Needy children in 100 Rhode Island schools will get no help from the federal government at lunch time this year as the result of a \$300,000 cut in U.S. Department of Agriculture school lunch subsidies for the state.

The cut means the \$900,000-federal subsidy will be reduced to \$600,000, and the program cannot be expanded to cover 100 additional schools as planned. Last year, 261 of the state's 537 schools participated in the program.

The reduced spending level could also mean that some schools will choose not to participate in the program this year, because the \$300,000 loss will be passed on to the local school authorities in a large measure, according to Mrs. Maureen O'Connell, state program director.

Mrs. O'Connell says the prospects at this time are so bleak that she has adopted a consciously positive attitude.

"I am certain this is not what the President intends," she said. She says the Agriculture Department officials in New York insist that there will be enough money to run the program at last year's level. They also admit, she says, that the regulations need further clarification from Washington.

The nationwide reduction reportedly comes as an anti-inflationary measure ordered by the federal Bureau of the Budget, freezing 100 million dollars in one of the lunch aid funds.

Sources in Washington report that a memorandum was sent to the Agriculture Department ordering the freeze, which is designed to keep money out of circulation.

The new regulations, which the Agriculture Department claims will bring more equity to the system, will reduce the subsidy for free and reduced-price lunches from 60 to 25 cents.

Last year, every lunch served in a state school could be subsidized by as much as 12 cents. Every free and reduced price lunch could draw an additional 48 cents, or a total of 60 for each free or reduced price meal.

This year the regulations limit the general subsidy to five cents and the free or reduced subsidy to 30 cents. States and local schools must make up the 25-cent difference.

"It's pure belt-tightening at the expense of the kids," according to a staff member of the Senate Select Committee on Nutrition and Human Needs. He said it is the committee's thinking that the Nixon administration is deliberately inhibiting states from expanding their programs.

Beyond this, states might further restrict eligibility for reduced price lunches. This could mean that children, who were eligible formerly on the basis of their parents' income, would now have to pay full price for their lunches.

As further evidence of what he called anti-inflationary measures in the human resources field, one of Senator Claiborne Pell's aides reported that a 1.2-million-dollar kidney dialysis machine, slated for Rhode Island under a federal health care grant, will not be funded.

"Because we (the federal government) are not spending the money, Rhode Island has no dialysis at all," he said, adding that inflation busting goes on at the expense of kidney patients and kids.

It all has to do with the President's recent declaration that he will cutback federal spending by five billion dollars, the Pell aide said. He said the senator is attempting to get a reversal of the decision on the kidney machine.

Quietly but rapidly opposition to school lunch cuts has been building, but Agriculture Department spokesmen have made it clear to local officials that the new regulations through which some of the cutbacks are being made will stand.

According to Mrs. O'Connell, authorities in New York have "assured" her that there will be enough money to operate the program at last year's level.

However, to absorb the \$300,000 cut, the state will not be able to assist local schools with equipment purchases. And, the local schools will have to assume a new burden of uncertainty if they elect to go forward under the new regulations, Mrs. O'Connell said.

The new rules say that a state must serve a "base level" of meals before it is eligible to use a category of funding formerly available before a single lunch had been served.

Moreover, according to Jay Lipner, an attorney here specializing in lunch programs, the restricted money may not be used to offset losses incurred during the period when it is frozen. Also, since there is a price freeze, the cost of lunches to paying students cannot be hiked.

There are three basic categories of federal assistance in the lunch program: special, general and what is known as Section 32 funds. It is the Section 32 funds which gave lunch programs flexibility and the ability to expand, according to Mrs. O'Connell.

Rhode Island currently has a lunch program in 267 of its 513 schools. Mrs. O'Connell had said earlier that the state, through Section 32, would be able to expand this program to 100 additional schools. Now there will be no expansion, she said.

She agreed that some local school boards might find it difficult to operate with the amount of federal reimbursement both uncertain and delayed. But she said she doubts that any of them would decline to operate their programs as a result.

"We have been assured by the Department of Agriculture that there should not be any drastic curtailment. We should be able to continue the current level of participation. We were also told we could expect additional funding for breakfast and childcare," she said.

In previous years, she said, the department has issued "a tentative over-the-telephone" estimate of the appropriation. The tardiness of even the most tentative of estimates this year is seen by Mr. Lipner, who is associated with Rhode Island Legal Services under a special Office of Economic Opportunity nutrition grant, as a calculated maneuver. When the appropriation is announced, the absence of the Section 32 funds will be alarming, he says.

He also points out, as does the staff of Sen. Claiborne Pell's office, that Congress is in recess and cannot readily focus its opposition on the department.

But the Senator's staff says it has been informed that hearings will be convened by the Senate's Select Committee on Nutrition and Human Needs. The Committee is chaired by Senator George McGovern of South Dakota, a Democratic Presidential candidate.

Senator Pell has sent a letter to Clifford M. Hardin, the secretary of agriculture, expressing dismay at the new regulations.

"I believe the timing of the proposed regulations—two weeks before school opens—is particularly unfortunate and disruptive, he said.

He urged Secretary Hardin to withdraw the new regulations and issue new ones consistent with the goal of Congress and the goals stated by the President of not allowing any school child to go hungry."

A statement was released also today by Rhode Island Fair Welfare. Entitled, A Hungry Child Cannot Learn, the statement said, "It is an injustice and a crime that a nation as rich as ours cannot find the money to feed hungry children."

Mrs. Kay Peterson, chairman of a welfare school lunch program, said, "Our kids can go hungry but somehow they always find the money to make moon trips."

Mr. Lipner has written to Herbert D. Rorex, director of the federal child nutrition division of the agriculture department in Washington.

He says in the letter: "At best the regulations will result in considerable confusion and grossly inadequate reimbursement rates. The proposed allocation of Section 32 funds (threatens) a financial crisis of sufficient magnitude to many presently participating schools off the program."

Governor Licht also sent a telegram to Mr. Rorex. He said the proposed new regulations, unless revised, would deliver "a serious setback" to progress achieved last year. He urged that they be revised.

[The Providence (R.I.) Journal, Aug. 28, 1971]

SKIMPING ON SCHOOL LUNCHES

The school lunch directors of 37 states have accused the federal Department of Agriculture of fixing spending ceilings that are "unequivocally inadequate" and will bring the programs to a "screeching halt" less than a month before classes resume across the country. The charge is serious and demands swift investigation by Congress.

The Assistant Secretary of Agriculture, Richard Lyng, disclosed new regulations earlier this month in a speech in Minneapolis. The directors responded soon afterward and warned that their dire forecast would come true if the regulations were not modified by the deadline of Sept. 1. There is little time in which to force a change in the regulations.

Mr. Lyng defended the regulations by insisting that there must be "discipline" if all departments are to live within their budget, and he is eminently correct. But if any school lunch program is to be meaningful in its benefit to children, it must be adequately financed to start with. President Nixon himself has said one of his goals is ending hunger among school children.

Congress should look into the charge, and so should Mr. Nixon and his staff. If the money available is inadequate, funds ought to be increased; if the spending ceilings are too low, they ought to be raised. But if funds are inadequate and are not to be increased, it will be more honest to abolish the program than to keep an inadequacy alive in the guise of defeating hunger.

[The Washington Post, Aug. 28, 1971]

HUNGER IN THE CLASSROOM

"Fiscal discipline is always difficult but it is absolutely essential . . . if we're to live within our budget." Thus spoke Assistant Secretary of Agriculture Richard Lyng the other day in announcing some new belt-tightening regulations for administration of the school lunch program. He is entirely right about this, of course, and the directors of any chamber of commerce would have little difficulty in grasping the validity of his observation if they heard it in the course of a luncheon speech as they were finishing their dessert and sipping their coffee. Discipline is a term more easily understood on a full stomach than on an empty one.

The fiscal discipline Mr. Lyng has in mind will be felt most intimately by a large number of school children whose families cannot afford to buy lunches for them and who will, in consequence, be called upon to accept the discipline on empty stomachs. It is to take the form of a reduced contribution to the school lunch program by the federal government, if proposed new regulations of the Agriculture Department go into effect. The formula by which federal funds are allocated to this program is a complicated one. But the nub of the matter appears to be that the department aims to contribute to the feeding of an expected 9.1 million poor and hungry children in the school year ahead with the same amount of money it supplied for the feeding of 7.3 million last year. The department did not ask for additional funds to finance the expected expansion; and, although Congress authorized the expenditure of \$100 million out of a special fund available to the department, Secretary Hardin has declined to do this.

The state directors of the school lunch program responded to these proposed regulations with a unanimous outburst of indignation. "The average rate of 30 cents per meal for free and reduced lunches set forth in proposed regulations," they declared in a formal statement, "is unequivocally inadequate, and furthermore we feel that such a limitation would jeopardize the existing program and preclude any expansion to reach the additional estimated three to five million hungry children in America. The regulatory restrictions and funding projections as proposed are bringing the school lunch programs to a screeching halt, and will result in a termination of programs in many places. The state plans of operation as prepared for 1971-72 become null and void by each state as the plans were developed in good faith to meet the challenge of the President and Congress to feed the hungry children in America's schools."

This impassioned statement comes from men and women in the field who have to administer the school lunch program. Their indignation is becoming. Senator George McGovern, chairman of the Senate Select Committee on Nutrition and Human Needs, reacted similarly, charging in a letter to Secretary Hardin that the proposed regulations "blatantly violate both the spirit and the letter of the school lunch law passed by Congress last year." It is a curious order of priorities indeed that puts resuscitation of an aircraft manufacturer ahead of human hunger. It is a strange sort of fiscal discipline that puts its burden upon children.

[The Providence Sunday Journal, Aug. 29, 1971]

NO SCHOOL LUNCH EXPANSION

Needy children in 100 Rhode Island schools will receive no financial help from the federal government at lunchtime because of a \$300,000 cut in U.S. Department of Agriculture school lunch subsidies to the state.

The budget cut to \$600,000 means that Rhode Island cannot expand its program to cover the 100 additional schools as planned, Mrs. Maureen O'Connell, director of the state's school lunch program, said yesterday. She said the cut also means that some schools will not choose to participate in the program.

This, she said, is because the cutback will be passed along to local authorities and some may decide not to absorb it.

Under the lunch program, the cost of meals for needy children is paid partially with federal funds. Last year, 261 schools participated.

Last year, every school lunch served in the state could be subsidized by as much as 60 cents. The new regulations will reduce the total subsidy for free and reduced-price lunches to 30 cents.

The nationwide reduction of 100 million dollars in lunch aid funds reportedly was ordered by the federal Bureau of the Budget as an anti-inflationary measure.

Rhode Island Fair Welfare released a statement yesterday that said, "It is an injustice and a crime that a nation as rich as ours cannot find the money to feed hungry children."

[The New York Times, Aug. 30, 1971]

FEDERAL SCHOOL LUNCH PLAN FAILS TO HELP 1.9 MILLION POOR PUPILS

Today, nine months after President Nixon's target date of Thanksgiving, 1970, for extending the school lunch program to reach all needy children, 1.9 million children of the poor get none of its benefits.

But the Department of Agriculture—delegated the responsibility for carrying out the President's mandate—maintains that Mr. Nixon's original goal has technically been met.

Edward J. Hekman, administrator of the Food and Nutrition Service Division of the department, said in an interview that Mr. Nixon's goal was based on a figure of 6.6 million needy children—a figure used frequently by Dr. Jean Mayer, the President's nutrition expert.

Mr. Hekman said that his department had extended the lunch program so that number of needy children by January, 1971—only two months behind schedule. He said that the number now reached was 7.4 million.

A NEW TIME TABLE

He said that statistics gathered later indicated that instead of 6.6 million, the estimate on which the president's goal was based, there were 9.3 million needy children.

"It would have been physically impossible to reach this new figure by Thanksgiving," he said.

Mr. Hekman said that the Department of Agriculture and the National Advisory Council created by the 1970 amendment of the School Lunch Act had discussed a new timetable.

"I expect the council to set a new target of about three years hence," he said. "The problem is bringing the approximately 20,000 schools not now a part of the program into the picture."

Mr. Hekman estimate that these schools—largely inner city or rural poverty areas—had one million eligible children.

A MOOT QUESTION

These, coupled with the 400,000 eligible but unreached children in schools that already participate in the program, would necessitate expenditure of about \$570.4-million a year.

This is based on Congress' estimate of \$100-million for equipment alone and on Mr. Hekman's estimate of a Federal share of 42 cents a lunch for each of the 1.4 million additional children.

But, in view of hold-the-line posture of Mr. Nixon's budget men, it is a moot question whether this goal can be reached.

The amount spent last year for free or reduced-price lunches totaled \$356.4-million. The amount budgeted this year exceeds that amount by about \$33-million, according to Mr. Hekman.

Special provisions were made by Congress to provide \$38-million in the fiscal year 1971 and \$33-million in the fiscal year 1972 to put facilities in nonprogram schools.

The Administration cut this amount back to \$16.1-million the first year and plans to use only \$16-million this year.

"It may not be enough, but it will go a long way," Mr. Hekman said.

The sizable increase in the number of needy children—from 3.8 million in 1969 to 9.3 million today—is related to state-initiated changes in eligibility guidelines, Mr. Hekman said.

The figure of 6.6 million children results from states using a \$3,940 poverty level as a guideline, he said. Now, at least 22 states have raised their poverty-level standard to around \$4,350.

Opponents of the department's methods of implementation and budgeting have accused the Administration in recent weeks of using calculated methods to halt the growth of the program.

The more notable critics include Senator George McGovern, Democrat of South Dakota, and a group of 35 directors of state child nutrition programs.

GUIDELINES CRITICIZED

Each charged that while not cutting back in program funds, the Administration had designed Federal reimbursement guidelines that held the state liable for a matching portion above that of last year's, in effect limiting expansion in states faced with financial problems.

Members of Senator McGovern's staff charged that funds in one special section had been released to states only after they had exhausted the two principal sections that provided funds under the lunch program act.

Senator McGovern plans a Congressional hearing on the program Sept. 7. He said that he would ask the Secretary of Agriculture, the director of the Office of Management and Budget and Mr. Hekman to testify.

[The Associated Press, Wire Release, Aug. 31, 1971]

By Austin Scott

WASHINGTON—High Agriculture Department officials said Tuesday they will postpone issuing controversial new school lunch regulations until after a Sept. 7 Senate hunger committee hearing on the matter.

They said the new regulations were intended to shift available funds from relatively well off school districts to poorer ones, and that strong protests from 33 state school lunch directors, among others, indicated some misunderstanding of their intentions.

Three days after being informed of the proposed new regulations Aug. 4, the directors signed a protest statement accusing the department of bringing school lunch programs to "a screeching halt."

They said the new rules, publicly announced less than a month before schools began to open, gave them less money to spend on school lunches, and less freedom on how they spent it.

In response to some of their protests, Sen. George McGovern, D-S.D., asked Agriculture Secretary Clifford Hardin to withdraw the new rules. McGovern

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said he saw no reason for them other than to "curb the expansion of the program," or to "conserve funds . . ."

Edward J. Hekman, administrator of USDA's Food and Nutrition Service, said in an interview Tuesday more affluent school districts might wind up with less to spend.

But the program as a whole will have more money available than last year, he said—\$33 million more in the \$356.4 million free and reduced-price lunch program alone. That program serves needy children, primarily.

Hekman said that for the first time, states will be guaranteed 5 cents for every regular lunch they serve, and an additional 30 cents for every free or reduced price lunch, no matter how many.

"We are open ended," he said. "We are telling these states bring in as many (children) as you can. We will guarantee you don't fall below those figures."

State and local governments must find ways to pay the rest of the cost. The 5 cent and 30 cent figures were labeled "inadequate" by the 33 school lunch directors.

Hekman said he thought the loudest complaints were coming from states reimbursed at higher rates last year.

Some states got less, he said. He specifically mentioned California, Illinois, Ohio and Michigan. On the average, he said, the Agriculture Department last year gave the states 6 cents for every regular lunch, and a fraction over 29 cents for each free or reduced price lunch.

Herbert Rorex, director of the Division of Child Nutrition, said that under the proposed new rules, "you would expect the states to use judgement to reduce the rates of assistance in the more affluent school districts and to increase it to the poorer districts."

Both men said the need to shift money around came up in the first place because when Congress wrote the school lunch law, it decided that low income states should get more money for each lunch than high income states.

That weighted apportionment formula is still in the law, Rorex said. But USDA is "trying through this proposal to see that the funds are apportioned to the states that have the heaviest number of lunches served."

One of the charges made by the school lunch directors was that the new regulations did not carry out the intent of Congress.

In May, 1970, President Nixon signed a new school lunch law which, Hekman said, put "heavy emphasis on free lunches." In a statement at the time, the president said the new law "will assure that every child from a family whose income falls below the poverty line will get a free or reduced price lunch." The school lunch directors estimated there are still "3-5 million hungry children in America."

"The law says you shall serve them," Hekman said, "and the law provided additional funds . . . It seems to us inconsistent that these should be distributed on an apportioned basis to meet conditions that have changed."

"Frankly, it's a question of money," he added. "Is 30 cents enough? Well, let the American people decide that through their elected representatives."

[The Washington Post, Aug. 31, 1971]

(Excerpt from Jack Anderson's "Washington Merry-Go-Round")

LUNCH SQUABBLE

Sen. George McGovern (D-S.D.) has summoned Nixon administration officials to an emergency meeting of his Select Nutrition Committee to explain why they have gutted the school lunch program for poor children.

While Congress was out of session, the Agriculture Department and the Budget Office chopped the lunch funds from 60 to 35 cents per child. McGovern received impassioned pleas from the states, including a letter from the Georgia school lunch administrator who wrote: "We need your help desperately."

McGovern will ask at the Sept. 7 hearings why the administration announced the cutback at a time when Congress was in recess and couldn't react, then gave defenders of the school lunch program only 15 days to fight the cutback before it goes into effect.

[The Washington Post, Sept. 3, 1971]

U.S. CUTTING SCHOOL LUNCH FUNDS

By Jack Anderson

At Christmas time, 1969 President Nixon made a sugar-plum promise to the nation's nine million needy children to end their hunger. Now his accountants are squeezing \$300 million out of the states' school lunch program, which would have the effect of taking food from the mouths of those same children.

By depriving hungry children of school lunch money, the Nixon administration would save enough ready cash, say, to bail out the corporate executives who have been mismanaging Lockheed.

The school lunch budget is a complex \$1.1 billion document, which provides lunch subsidies that vary according to the needs of the children. The most needy children were supposed to get 60 cents per meal until the White House Scrooges went to work on the budget. They triumphantly saved \$300 million by slashing the subsidy to a stark 35 cents under a complicated new formula.

Theoretically, the states are supposed to make up the difference. But most states, lacking the funds, will merely reduce the feeding of hungry children.

This scheme to water the soup of the poor was worked out by budget and agriculture officials in a series of private meetings and telephone talks. The chief Scrooge at the backroom meeting was President Nixon's assistant budget director, Richard Nathan. The Agriculture Department was represented by Assistant Secretary Richard Lyng and nutrition administrator Edward Hekman.

DOUBLE PRESSURE

They were under pressure to cut the budget not only from the President but from the equally formidable Rep. Jamie Whitten (D-Miss.). As chairman of the House Agriculture Appropriations subcommittee, he is accustomed to dictating how agriculture funds will be spent. And school lunches come out of the agriculture budget.

Part of the money set aside by Congress for the lunch program is supposed to be taken from a customs revenue fund, which Whitten has always guarded jealously. He wants to keep this fund available to bail out rich farmers who have poor harvests.

State officials, meanwhile, have raised an almighty howl over the report that their needy children will be short-changed 25 cents per meal. Agriculture Department spokesmen, talking to us, sought to minimize this outcry. But we have obtained some of the complaints from their private files. Here are typical excerpts:

Memphis School Superintendent John Freeman: "We cannot continue our free lunch program as it is presently operated if the (Agriculture Department) puts its proposed regulations into effect."

Mrs. Carl A. Peterson, Nebraska's Urban League welfare task force chairman: "It would be a grave error for the (Agriculture Department) to deny to hungry children what in thousands of families is the only meal such children have each day."

Sen. George McGovern (D-S.D.), the Senate nutrition committee chairman, is also mad as a hornet over the school lunch slash. In a private letter to Agriculture Secretary Cliff Hardin, the senator has condemned the reduction as "regressive." He has also summoned budget and agriculture officials to an emergency hearing on Sept. 7.

This has unnerved agriculture officials who now tell us their minds are still open. The budget cut "is not locked up by any means," administrator Hekman assured us.

WASHINGTON WHIRL

Contaminated Ducks—Duck hunters who eat their quarry may get an overdose of mercury. The first alarm went out last year after serious mercury contamination was found in the bodies of nine wild ducks shot on the shores of Lake St. Clair, the smallest of the Great Lakes. Thereafter the carcasses of 307 wild ducks were examined in the laboratory. The unannounced results: 10 per cent had mercury levels considered unsafe for human consumption. All 12 ducks bagged near Mobile Bay in Alabama, for instance, had twice more mercury residue than is

safe. Some ducks had as much as eight times the safe level. The Fish and Wildlife Service will issue a public report but won't restrict duck hunting.

White House Apology—The White House has mailed letters of apology to 47 congressional interns from Connecticut who heard a presidential aide call Rep. Bob Steele (R-Conn.) a "liar" and a "moron." Brash, young Jeff Donfeld, who once worked for the Nixon law firm and paid court on Tricia Nixon, gave the interns a narcotics briefing. One intern asked about Steele's findings that 10 per cent of the GIs in Vietnam were heavy heroin users. Donfeld, who had come back from his own Vietnam visit with lower figures, snapped that "Steele is a liar" who acted like a "moron" in assembling his data. Steele, an experienced ex-CIA agent, was furious. His complaints swiftly reached the White House. Although Donfeld originally told us he would stick to his charges, he finally was compelled to eat crow. The White House mailed out the letters of apology to placate Steele, then quietly promoted Donfeld to be assistant director of the President's Special Action Office for Drug Abuse Prevention.

[The New York Times, Sept. 6, 1971]

FEEDING HUNGRY CHILDREN

The Administration, under pressure from critics of the Federal school lunch program, acknowledges that 1.9-million needy children are still not being fed. No deluge of official statements about progress made and targets met can disguise the national disgrace involved in having so many youngsters go hungry.

The Department of Agriculture, administrator of the program, finds statistical comfort in noting that President Nixon's promise to have 6.6 million children on the school lunch roster by Thanksgiving 1970 was fulfilled, with only two months' delay. What causes the present gap, the department explains, is that the definition of poverty has changed and the number of needy children now turns out to be 9.3 million, not 6.6 million.

Such statistics do not make unfed children any less hungry. It is appalling to find Agriculture Department spokesmen estimating that it may take three years before the rest of the poverty-level children can be included in the program. By then the damage caused by nutritional deficiencies may be beyond repair.

Particularly puzzling is the department's claim that lack of food service equipment in many schools remains a major obstacle. In 1969 the Administration announced, with much fanfare, that revised regulations would speed airline-style lunches to children in unequipped schools.

All the unanswered questions and statistical alibis give credence to complaints that budget-cutting is the real cause of the delays. In two successive years the Administration has cut Congressional authorizations for food-service facilities in half, and further cuts are said to be contemplated in the amount of money to be made available for lunches in the new school year. In addition, rigid matching requirements appear to have hurt the program in precisely those states where poverty is the most serious problem.

Hearings before the Senate's Committee on Nutrition and Human Needs, scheduled for this week by Chairman George McGovern, should aim at putting an end to the battle of statistics. There is a simple yardstick: The program is inadequate if one child goes hungry.

News Subsequent to Hearing

[The New York Times, Sept. 8, 1971]

McGOVERN SCORES PUPIL LUNCH PLAN

SAYS FARM AGENCY BOWED TO PRESSURE FOR CUTS

WASHINGTON, Sept. 7—Senator George McGovern, chairman of the Senate Select Committee on Nutrition and Human Needs, accused the Department of Agriculture today to bowing to pressure from the Office of Management and Budget to cut over-all costs of the school lunch program. The South Dakota Democrat agreed with school officials who have charged before the nutrition committee that newly revised rules for funding the program will bar the inclusion of 1.9 million needy children.

Specifically at issue at the hearing was a new allocation formula, revised Aug. 18, that school officials across the country contended would cut Federal reimbursement to schools from 60 cents to 35.

The school officials and a group of sympathetic Senators and Representatives contend that the reimbursement rate of 35 cents will force school systems either to provide the remaining cost of lunches out of their own funds or to curtail their programs. The average cost for each lunch is 50 cents, according to the Agriculture Department.

SUBSTANTIAL CUTS CHARGED

Lawrence Bartlett, chairman of the American School Food Service Association, testified today that the new regulations substantially cut the funds many school districts were expecting.

He said that cuts of \$9-million were expected for California, \$3.2-million for Massachusetts, \$1.4 million for Detroit, \$1.2 million for New Mexico, \$375,000 for Indianapolis and \$750,000 for St. Louis.

Josephine Martin, State Director of School Food Services in Georgia, told the committee that even based on the Department of Agriculture's own "inadequate" reimbursement rate of 35 cents, a minimum of \$180-million was needed to sustain the lunch program at last year's level in view of its growth rate of 10 per cent.

The school lunch program budget for the fiscal year 1972 is \$78.8-million above last year's, according to the Department of Agriculture.

The amount spent last year for free or reduced-priced lunches totaled \$356.4-million. The amount budgeted this year exceeds that amount by about \$33-million, according to the Department of Agriculture.

Critics also attacked the department for having released the proposed regulations less than a month before schools opened and while Congress was in recess.

Richard E. Lyng, Assistant Secretary of Agriculture, said that school officials misunderstood the regulations. He said that they represented a "dramatic breakthrough that will enable school systems to bring in as many needy children as they want with the assurance that they are guaranteed a minimum of 35 cents per meal per child."

PRESSURE SUGGESTED

"Is it true that you were under pressure from the Budget Director to cut the over-all costs of your program?" Mr. McGovern asked Mr. Lyng.

"We haven't cut the cost of the program," Mr. Lyng replied. "Our restraint is the amount of money appropriated by Congress."

"But what we are really talking about is a situation where the Office of Management and Budget told you to cut to a certain figure, isn't that correct?" Mr. McGovern persisted.

"In that the O.M.B. approves our budget before it is submitted to Congress, yes, it has some say," Mr. Lyng replied.

Mr. McGovern said that the reduction from 60 cents to 35 cents for each lunch would result in a \$300-million cut in the program and suggested that the Nixon Administration was backing away from Congress' and its own commitment to feed all hungry school children.

[The Washington Evening Star, Sept. 8, 1971]

FEDERAL CHANGES WON'T HURT AREA SCHOOL LUNCH PROGRAM

By Ronald Sarro

District school officials say that the city stands to make out better under proposed new Agriculture Department regulations on lunch subsidies than it has under existing rules.

Maryland officials anticipate that the state will fare about the same this year as it did last, and Virginia officials say they already have adjusted to the proposed regulations and won't be substantially hurt.

A spokesman for 37 state school food service directors told the Senate Select Committee on Nutrition yesterday that the proposals would cost many states millions, forcing them to make up the difference or cut programs.

\$450,000 MORE

Members of the nutrition committee urged the Agriculture Department to kill the new regulations. The department, which announced them last month, had postponed the effective date pending yesterday's hearing.

District officials, however, said that if they serve the same number of lunches as they did last year, the city would get about \$450,000 more than it did under last year's program.

Washington was paid 25 cents for every free lunch for needy students it provided last year, and 4 cents under a general provision of the national school lunch act. It received a total of \$2.3 million toward 10 million lunches served, including 7.5 million free lunches to the needy.

The new regulations, however, would place a floor on the amounts paid for lunches. States and the District would get a guaranteed 30 cents for the needy lunch and 5 cents for general aid. If the city serves the same number of lunches as last year, it would get \$2.75 million, officials said.

Neither Maryland nor Virginia officials had a breakdown on the figures in their states.

Lawrence Bartlett, chairman of the State Directors Section of the American School Food Service Association, told the Senate committee that the proposed regulations would leave many states, which had obtained 60 cents towards the lunches under looser administration rules last spring, holding the bag.

ANTICIPATED LOSSES

Among anticipated losses, Bartlett said, include California, \$9 million; Colorado, \$550,000; Hawaii, \$457,000; Kansas, \$659,500; Maine, \$1.3 million; Massachusetts, \$3.2 million; Missouri, \$4 million; Nebraska \$496,000; New Hampshire, \$215,500; Ohio, \$5.5 million; South Dakota, \$848,000; Utah, \$468,000, and West Virginia, \$2.6 million.

Sen. George McGovern, D-S.D., committee chairman, charged that the proposed regulations show that the Nixon administration "has higher priorities than feeding hungry children" and would rather spend money on war.

McGovern said it is obvious that administration budget managers had "put the squeeze" on the Agriculture Department to cut back expansion of the program and skirted provisions of the National School Lunch Act aimed at feeding every hungry child in America. He said this would curb extension of the program to cover an additional 2 million children.

Joined by Sens. Marlow W. Cook, R-Ky., and Philip A. Hart, D-Mich., McGovern said the national program requires the federal government to spend the money necessary to feed all estimated 9 million hungry children in America and return to Congress for any supplemental appropriations needed to finance it.

1890

Asst. Agriculture Secretary Richard Lyng, testifying before the committee, denied that there was any administration budget meddling. He said the proposed 35-cent floor for all states would eliminate a situation which "allowed some states a 'funding feast' while others suffered from a 'funding famine.'"

[The Washington Evening Star, Sept. 8, 1971]

SCHOOL LUNCH CRUNCH

Agreed, that the times call for selective governmental austerity. But about the last service that should be affected by it is the feeding of school children. That's because school is the only place where millions of children get a square meal, and because many others—possibly two million—can't even get lunches there.

But the Agriculture Department, just after Congress went home for its month-long vacation, hatched some questionable new lunch regulations that took effect when school reopened for the current term. The alterations, say the school-lunch directors of 33 states, can bring the program to "a screeching halt." That is without doubt an exaggeration. But the new spending limitations certainly can compound the inadequacies that already afflict the program, constricting it when it needs to be enlarged.

What the department plans, in essence, is to hold back half the allocations that help finance free and reduced-price lunches for poor children, until the states demonstrate by exhausting their other funds that they really need the money. They've come to expect 60 cents for each "poverty lunch" in federal aid, but now they'll have some difficulty getting more than 30 cents.

And schools will be held to a five-cent limit of federal aid on regular (non-poverty) school lunches. That was shown to be insufficient last year, and it will be even less adequate during the next school term with inflated costs and more youngsters to feed. Congress last year provided extra "bail-out" money because some states were unable to pay their share of the regular lunch program, and they were given up to 12 cents in federal assistance.

Moreover, the states contend they already have proved their needs, with detailed plans submitted to the Agriculture Department earlier this year. They see very little chance of coming up with more state matching money. So state directors fear that school-lunch prices will have to be raised as a result of the new requirements, and that food services may have to be curtailed.

The Agriculture Department's reasoning in these matters is convoluted, but some impressions are inescapable: The department is intent on holding down federal spending for school lunches, and its maneuvers and policies threaten to delay a needed expansion of the program. In announcing the new regulations, Assistant Secretary of Agriculture Richard Lyng said that "fiscal discipline" is always difficult, but is an absolute necessity "if we're to live within our budget." The problem is that Agriculture asked Congress for no increase in lunch funds for the next year in spite of the swelling costs and needs.

Nor has it moved vigorously enough to aid the 23,000 public schools, mostly in poor areas, that have no lunch programs at all. It wants to spend less than half the money that Congress authorized for that purpose.

Congress should demand explanations from Agriculture officials. The feeding of children should not be subjected to the strictest of fiscal disciplines.

[The Washington Post, Sept. 8, 1971]

U.S. DENIES CUTTING SCHOOL LUNCH FUNDS

The Nixon administration yesterday denied repeated charges that it has cut spending for school lunch programs so severely that up to 2 million needy children will go hungry this year.

Assistant Secretary of Agriculture Richard Lyng insisted at a hearing of the Senate Select Hunger Committee that more money will be available than ever before—\$667.3 million—to provide poor youngsters with a wholesome meal each day.

"We believe that significant additional progress is possible," Lyng said. "In fact . . . we believe that our proposal presents a dramatic breakthrough in program funding."

Chairman George S. McGovern (D-S.D.) said he called the hearing in response to "an outcry" raised by local and state school officials around the nation over changes in school lunch funding proposed by the Agriculture Department on Aug. 13.

Critics charged that the revisions amounted to cutting federal reimbursement from 60 cents to 35 cents per meal. They said this would force schools either to make up the difference or cut back their lunch programs.

Lyng, however, said critics have "misunderstood" the rules changes. He said the 35-cent figure would be a floor, not a ceiling, and that "neediest schools" would still be eligible for full 60-cent reimbursement.

"Our proposals are not designed to save funds," Lyng said. "We have not reduced the maximum rates of assistance that were authorized for last year."

Unconvinced, McGovern charged that the new rules amounted to "total defiance" of Congress, which last year ordered school lunch programs expanded to every needy child.

In the 1970-71 school year, the programs provided free or reduced-cost lunches to about 7.3 million of the nation's estimated 9 million hungry school-children.

[The Berkeley (Calif.) Post, Sept. 9, 1971]

NEW REGULATIONS MENACE SCHOOL LUNCH PROGRAMS

School lunch directors of 33 states have told the United States Department of Agriculture that its new regulatory restrictions and funding projections are "bringing the school lunch programs to a screeching halt" and may result in a termination of programs in many places.

The directors described as "inadequate" the average limit of five cents the federal government will pay for each regular school lunch under the new regulations and the 30 cents for each free or reduced price lunch.

"Such a limitation," they said, "would jeopardize the existing program and preclude any expansion to reach the additional three to five million hungry children in America."

They called upon the President, Congress and the Department of Agriculture to determine priorities and "if feeding hungry children has a high priority, we ask that funds be provided to do the job in a responsible manner."

Otherwise, they warned, "absenteeism, dropouts and apathetic students will negate the benefits of the multi-billion dollar investment for public and private schools."

The Department of Agriculture, in presenting the new regulations, said it helped feed 5.1 million hungry children in the 1969-70 school year and 7.3 million last year.

According to Gerald Cassidy, general counsel for Senator George McGovern's Select Committee on nutrition and Human Needs, the department "should be reaching this year 9.1 million" instead of asking Congress for exactly the same amount of money allotted last year.

Senator McGovern has written to Secretary of Agriculture Clifford M. Hardin that "there has been a considerable reduction in the commitment of this Administration to put an end to hunger in America itself for all time."

McGovern said the new regulations "violate the intent of Congress . . . which states 'any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost.'"

The Senator said the regulations evidenced a "clear disregard for past promises to America's children" and asked that they be withdrawn before they become effective.

School lunch directors expressed their resentment at issuance of the regulations in August, thereby rendering null and void 1971-72 plans "developed in good faith to meet the challenge of the President and Congress to feed the hungry children in America's schools."

McGovern, in his letter, said that the Department of Agriculture's "actions in proposing these regulations only three weeks before school was to start and allowing for a period of comment of only 15 days is such an abuse of its regulatory power as to show a complete disregard for the responsibilities and obligations of the states regarding this program."

Assistant Secretary of Agriculture Richard Lyng, in announcing the regulations, had pointed out that "fiscal discipline is always difficult but it is absolutely essential . . . if we're to live within our budget."

[From the U.S. Senate Select Committee on Nutrition and Human Needs, Sept. 9, 1971]

DEAR COLLEAGUE LETTER

DEAR COLLEAGUE: Upon returning from the summer recess, we became aware of a serious crisis in the National School Lunch Program. On August 13, 1971, the Department of Agriculture published proposed regulations which reduced the reimbursement rate per meal to 35 cents, although the actual cost of meals averages above 50 cents per meal.

These regulations have precipitated a fiscal crisis in school districts throughout the nation. Three weeks before the opening of school, states and localities have, in effect, been told that they must finance the difference between the lower reimbursement rate of the proposed regulations and the reimbursement rate they were receiving at the close of the last school year.

In testimony before the Select Committee on Nutrition and Human Needs on September 7, 1971, the effect of this change was made clear by Josephine Martin, the State Director of the Georgia School Lunch Program, who said that in her state the 35 cent reimbursement rate would be a reduction of 7 cents per meal and represented a loss of over \$9 million. This is only an example of what will be a nationwide condition if these regulations are allowed to become final.

The options available to the states and school districts are not promising. They could increase local school taxes or raise the price of school lunches for those children who can afford to pay.

It is difficult to imagine school districts raising additional tax revenue on such short notice, even if the taxpayers could be so persuaded in these troubled times.

If the school districts were to raise the price of lunches for the paying children, many of these children would be driven out of the program.

Only a speedy withdrawal of these proposed regulations and the issuance of regulations which conform with the mandate of Public Law 91-248, that every needy child shall receive a free or reduced price lunch, can prevent the chaos that these proposed regulations threaten.

It is for this reason that we have joined the State Directors Section of the American School Food Service Association, who unanimously decried the proposed regulations, in calling for their immediate withdrawal.

We hope that you will join us in expressing this desire to the President in the form of the attached letter.

If you have further inquiries please contact Gerald Cassidy or Jack Quinn at 57326 or Jud Sommer of the minority staff at 53921.

Sincerely yours,

PHILIP A. HART,
MARLOW W. COOK.

[Enclosure.]

44 SENATORS REQUEST PRESIDENT'S INTERVENTION IN SCHOOL LUNCH CRISIS

SEPTEMBER 9, 1971.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are writing you out of a deep concern regarding the purpose of proposed school lunch regulations issued by the Department of Agriculture on August 13, 1971. The proposed regulations concern the use of federal funds to carry out the mandate of Public Law 91-248 which provides that "any child who is a member of a household which has an annual income not above

the applicable family size income level set forth in the income poverty guidelines *shall* be served meals free or at a reduced cost." Thus, the real test of the adequacy of the proposed new regulations is whether or not they will make it possible for the states and localities to meet the obligations and requirements which Public Law 91-248 imposes upon them.

After careful study and analysis, it is our judgment that the proposed regulations will not meet this basic test. Therefore, we find ourselves in agreement with the unanimous conclusion of the State Directors Section of the American School Food Service Association that the proposed regulations in their present form pose a very real threat to the continued progress of the National School Lunch Program.

If these regulations are not altered we believe the following events will occur. Many schools will be forced to eliminate Child Nutrition Programs. There will be further hardships to the nation's economy through unemployment and reduced consumption of raw resources such as food and equipment. Absenteeism, dropouts, and apathetic students will negate the benefits of the multi-billion dollar investment for public and private schools. And finally, and most important, there will continue to be hungry children in America's schools.

The adverse effect of the proposed regulations is compounded by the fact they were announced only three weeks before school was to open, creating chaos in the states. The anticipated loss to the states in the 1971-72 school year under the 35 cent reimbursement rate set by the proposed regulations, as compared to what the states would have received under the rates instituted by the Department of Agriculture last March, will run into millions of dollars. For example, the state directors have estimated Missouri will lose \$4,000,000; California \$9,000,000; Massachusetts \$3,240,000; Ohio \$5,565,000; Oregon \$1,476,175; Tennessee \$2,772,000; Georgia \$4,100,000; West Virginia \$2,661,300; and Florida \$6,916,668. The states cannot make up this loss from state or local funds and will have no alternative but to reduce planned participation to stay within the limitation of available funds. Therefore, many needy and eligible children will go without school lunches.

Certainly, this was not the intent of Congress when it passed Public Law 91-248, nor your intent when signing it into law on May 14, 1970.

In regard to the School Breakfast Program, the proposed regulations have not only placed a limitation on the expansion of this program but have also precipitated a situation where several states will be forced to cancel the School Breakfast Program this school year. In the past, the Department of Agriculture has set a precedent in that many states in 1970-1971 used Section 32 funds for breakfast expansion. These funds were provided as a bloc grant to be used where needed in the individual states for expanding food programs to eligible needy children. However, the proposed regulations have made no provisions for continuing the authority to transfer such funds from Section 32 to the School Breakfast Program.

In addition to this matter of transfer of Section 32 funds, there is another important question which needs to be answered in regard to the Breakfast Program. According to Public Law 92-32 (Section 2), the Department of Agriculture is authorized to use \$25 million for the School Breakfast Program. Only \$18.5 million, however, has been allocated to the states. A memorandum of September 1 from the Department stated that the remaining \$6.5 million will be allocated only to those states, "demonstrating the need for these funds to maintain their program at the April level." The response from several state directors has strongly indicated that there is a need for this \$6.5 million to be allocated immediately. For example, in the State of Kentucky, the Breakfast Program will need to be cancelled at the beginning of October unless more money is allocated. In the reality that cancellations will occur, we implore that there be a reconsideration by the Department of Agriculture to transfer Section 32 funds to the Breakfast Program and to immediately allocate the remaining \$6.5 million of the authorized \$25 million to those states who face a possibility of cancelling their Breakfast Programs.

We, therefore, request that the proposed regulations be withdrawn and be replaced with regulations that would provide for a maximum reimbursement rate of 48 cents from Section 11; a maximum reimbursement rate of 12 cents from Section 4 for free and reduced price lunches; and guaranteed reimbursement from Section 4 of 5 cents for generally assisted lunches. We also suggest that the regulations pertaining to the use of Section 32 funds allow an immediate

allotment of these funds for free or reduced priced lunches to all states based on need accompanied by transfer authority. In this way we could be certain that the funds Congress made available to the Secretary under this authority would be fully utilized.

We further suggest that before any proposed regulations are published that they be submitted to the National Advisory Council, created by Public Law 91-248, and the State Directors Section of the American School Food Service Association in order that these regulations could be instituted with the greatest degree of corporation so that any further delays in the implementation of the intent of Public Law 91-248 may be avoided.

Respectfully,

George McGovern, South Dakota; Philip A. Hart, Michigan; Marlow W. Cook, Kentucky; Charles McC Mathias, Jr., Maryland; Vance Hartke, Indiana; Charles H. Percy, Indiana; Alan Cranston, California; Edward W. Brooke, Massachusetts; Abraham Ribicoff, Connecticut; Richard S. Schweiker, Pennsylvania; John McClellan, Arkansas; Walter Mondale, Minnesota; John Tunney, California; Gale McGee, Wyoming; Robert Byrd, West Virginia; Quentin Burdick, North Dakota; Howard Cannon, Nevada; Claiborne Pell, Rhode Island; Henry Jackson, Washington; Frank Church, Idaho; Edward Kennedy, Massachusetts; Adlai Stevenson, Illinois; Frank Moss, Utah; Edmund Muskie, Maine; Birch Bayh, Indiana; Lawton Chiles, Florida; Harold Hughes, Iowa; Thomas Eagleton, Missouri; Harrison Williams, New Jersey; William Spong, Virginia; Gaylord Nelson, Wisconsin; Joseph Montoya, New Mexico; Alan Bible, Nevada; Hubert Humphrey, Minnesota; Fred Harris, Oklahoma; Daniel Inouye, Hawaii; Ernest Hollings, South Carolina; Warren Magnuson, Washington; Stuart Symington, Missouri; Clifford Case, New Jersey; William Saxbe, Ohio; James Pearson, Kansas; Henry Bellmon, Oklahoma; and Mark Hatfield, Oregon.

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"Got To Teach 'Em The Value Of A Dollar"



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September 9, 1971

[The Providence (R.I.) Evening Bulletin, Sept. 10, 1971]

CURB ON LUNCHES HITS 56,500 IN RHODE ISLAND

By C. Fraser Smith

Governor Licht expressed dismay today over the denial of free or reduced price lunches to 56,500 Rhode Island school children as a result of proposed new Department of Agriculture directive.

In a letter to Agriculture Secretary Clifford M. Hardin, the governor said the school lunch program here is beset by confusion and uncertainty. And he offered the specific consequences of the new regulations.

At least 56,500 school children in Rhode Island who were expected to come under the program this school year would not be able to participate.

Of these 35,500 would have been embraced by an expansion of the program to an additional 100 schools. The remaining 21,000, the governor said would be denied participation because the state cannot afford to make them eligible for the program this year, even though they attend schools where lunches are served.

Other elements of the regulations which severely limit the reimbursement rates that can be paid could lead some school districts to abandon their lunch programs altogether, some school lunch officials are predicting.

The governor said, "I cannot believe that this is what the President had in mind when he pledged in December of 1969 to provide a school lunch to all eligible children."

"I cannot believe this is what the Congress intended when it designed the National School Lunch Act. I cannot believe that any parent in our nation would approve of this type of retrenchment."

A reflection of how confused and uncertain the situation is comes from Mrs. Maureen O'Connell, director of the state's school lunch program. Mrs. O'Connell said she received encouraging reports which indicate there may be an increase in the level of federal assistance Rhode Island will get this year.

She said she plans to operate the lunch program under last year's guidelines until she is told officially that the new ones are in force. This includes, she said, feeding the 21,000 children Governor Licht says cannot be fed under the proposed regulations.

A Department of Agriculture spokesman in Washington, however, would not give support to her optimism. The spokesman said there have been no official changes in the proposed new regulations, although he acknowledged they are being studied at this time.

The new directives, which sharply limit flexibility in the use of federal funds, are said to be part of President Nixon's anti-inflationary program. They are designed to keep about 100 million dollars out of circulation.

A complex web of regulations has been designed to do this job, according to one local expert in the school lunch program, Jay Lipner. Mr. Lipner, who was assigned to Rhode Island under a special Office of Economic Opportunity grant, returned yesterday from a hearing on this problem in Washington.

He said he continues to feel that the effect of the new regulations goes beyond anything anyone in state government has yet come to grips with. He believes the regulations make it virtually impossible for any school district to serve lunches without suffering a loss.

But Mr. Lipner believes a substantial part of the burden must be borne, under federal law, by the state. He was referring particularly to the 21,000 children who were made eligible for the program when the Department of Agriculture raised the eligibility level from \$3,720 to \$3,940 of annual family income in June of this year. The eligibility of these children cannot be delayed, he said.

"There is no discretion," he said. "The law says any child with an income below \$3,940 shall be served a free lunch."

He agreed that this regulation, coupled with the loss of various funds normally available, whipsaws the state, raising eligibility on the one hand while dropping reimbursements on the other.

Rhode Island, he said, is likely to be one state which will get more money from the federal government than it can spend. The reason for this is that, while it receives money on the basis of its population, its program achieves relatively low participation—49th in the nation, he said.

State officials must not count on the additional funds to bail them out, however, he said. In the first place, the amount probably would be too low. Most important, the law says that federal funds must be returned to the government if under the formula, it exceeds 35 cents for every free or reduced price lunch.

"There is no way that any state can pay more than 35 cents per lunch and nobody understands it," he says.

Under the law, school lunch directors may pay five cents reimbursement to local school districts for every lunch served. They may pay 30 cents for every free and reduced price lunch. States are obligated to contribute a small portion as well.

However, the average cost of a school lunch as computed by a nationwide association of school lunch directors, is 60 cents. The question is, who will make up the difference between 35 and 60 cents when lunches are provided free.

There are few alternatives under the new regulations. In past years, school lunch directors could fall back on a special federal subsidy called 'Section 32' funds. This year, regulations governing the use of these funds put them out of reach. They are frozen.

Another possibility would be to raise the price of lunches served approximately at full-cost. But there is a price freeze. Moreover, adding 25 cents to a 55-cent lunch probably would encourage brown-bagging to an extent that would be devastating to the program.

Thus, Mr. Lipner argues that every school lunch program in the state is in trouble.

"There is no way Rhode Island can come out ahead on this," he insists.

Compounding the problems associated with calculating what Rhode Island will have to spend on lunches, the Agriculture Department has yet to release the 1971-72 allocation figures.

Mr. Lipner believes this is calculated to forestall panic and pressure. Panic is already evident in some states, however. At the hearing, conducted by the Senate's select committee on nutrition and human needs, it was reported for example, that Arkansas would lose \$900,000 and California, seven million dollars under the new regulations.

The prediction of this kind of loss in a period when states and municipalities are in no position to take up the slack is the reason why Mr. Lipner and others are predicting that the school lunch program could be destroyed.

Mrs. O'Connell, has estimated that the state's allocation will decrease by \$300,000, from \$900,000 to \$600,000. She has said the Agriculture's Department assures her that this is enough to run the program at last year's level.

And that is one of the contradictions. Since more children are eligible under Agriculture Department regulations this year, running the program at last year's level means running it at a loss.

Last year, every lunch served could draw as much as 12 cents in federal subsidy. Every free and reduced price lunch drew an additional 48 cents, moving the potential subsidy to around 60 cents. In practice, not every school received reimbursement at the maximum 68-cent level, but they did get more than they requested.

Those eligible for reduced price meals are identified by local school authorities who use federal income guidelines and their own rulings on who will be eligible in their programs. Their judgments vary from school to school.

Rhode Island currently has a lunch program in 267 of its 513 schools.

In Washington, pressure to have the regulations dropped or revised drastically is mounting, according to Gerald Cassidy, a staff member of the Senate select committee on nutrition and human needs.

Considerable pressure has come recently from Sen. Herman Talmadge, of Georgia, chairman of the Senate Agriculture Committee. In a letter to the President, the senator said school districts may not raise prices for lunches and it is too late to raise taxes.

He has scheduled a hearing, during which Agriculture officials will be questioned, for Thursday, Sept. 16. This hearing and other measures are likely to produce some improvement in the situation, according to the nutrition and human needs committee spokesman.

"The outcry down here is just tremendous," he said.

[Station KOWH AM and FM, Omaha, Nebr., Sept. 10, 1971]

AN EDITORIAL

By Mrs. Winifred Peterson*

Occasional hunger is uncomfortable but bearable when one knows that there will be a next meal and especially if he knows when that next meal is going to be.

* Chairman, Welfare Task Force, Urban League of Nebraska.

Prolonged hunger is less bearable: it is debilitating and crippling, both physically and emotionally, and surely not to be contemplated as an acceptable situation in this, the most affluent nation on the face of the earth.

Yet we do accept it in this country. We do accept it in Nebraska, where well over 300,000 fellow human beings live below the poverty level under deprived and abject conditions inconceivable to many of us. We do accept it right here in Omaha.

Would you do something to help a hungry child? Would you take the time to make a telephone call or write a letter in behalf of a child who needs your concern and interest to assure that he may count on at least one balanced meal a day?

We think few Omahans are so unfeeling that they would not do one or both of these things.

Write or call Mr. Joseph Hart, President of the Omaha Board of Education, 451-5100, or Mr. Myrton Hall, Omaha Public Schools, 556-6600, to request that free or reduced price school lunches be provided immediately in 14 Omaha schools not yet receiving the benefits of the federally financed school lunch program. Federal reimbursement is available to include these additional schools, despite rumors and press releases you may have heard to the contrary.

Federal law states that these school children must be fed. If they are not, the school lunch program in your child's school as well as in all other Omaha schools may well be in jeopardy.

The welfare task force of the Urban League of Nebraska has faith in your concern and your humanity. We urge you to act today in the interest of hungry Omaha children.

[The Washington Food Report, Sept. 11, 1971]

FUROR OVER SCHOOL LUNCH FUNDING

Changes proposed by the U.S. Department of Agriculture in its School Lunch Program regulations were attacked and defended at hearings held this week by the Senate's Select Committee on Nutrition and Human Needs. Its chairman, Sen. George McGovern of South Dakota, in opening the hearings, said there had been "an outcry" by local and state school officials across the country over changes in Federal funding of the program proposed last month by the USDA; key issue is the amount of subsidy granted for free or reduced price meals.

Among the school officials testifying was Josephine Martin, administrator of Georgia Department of Education's School Food Service Program and chairman of the legislative committee of the American School Food Service Association. She charged that the proposed regulations "if implemented will negate much of the progress made in the last 25 years" in the National School Lunch Program. She told the committee members:

"We are all aware of the national economic crises, and the need to reduce Federal spending. Our question as educators and school food service personnel is 'How do we resolve this dilemma?' We are mandated by USDA regulations (as they reflect Congressional intent) to provide lunches to all eligible children, and by the proposed regulations we are allowed 35 cents per meal with which to fulfill that requirement. The national average cost of producing a meal is around 50 cents! The price freeze prohibits increases in sale prices to pick up any slack. The school administrators are perplexed."

Richard Lyng, Assistant Secretary of Agriculture, denied that the proposed regulation changes were "not designed to save funds. We expect to spend all the funds authorized" by Congress for fiscal 1972. The National School Lunch Act, he said, "contemplated that the funding of the program would be a joint Federal, state and local responsibility."

Moreover, Mr. Lyng stated, an amendment to the School Lunch Act passed in Congress last year requires "beginning this fiscal year that all states put state revenues into the program. It also provided that states should disburse these tax revenues in a manner that would concentrate them on assistance to the neediest schools.

"We do not believe that we should have continued a method of distributing funds among states which—because of the vagaries of statistical apportionment formulas—allowed some states a 'funding feast' while other states suffered from a 'funding famine.'"

[The New York Post, Sept. 16, 1971]

44 SENATORS FIGHT SCHOOL LUNCH CUT

By Anthony Prisendorf

WASHINGTON.—Forty-four senators have urged President Nixon to block Agriculture Dept. cutbacks in school lunch and breakfast programs.

In a letter to the White House, they said a recently announced change in formulas for the current school year would result in a loss of "millions" of dollars.

In March the Agriculture Dept. announced that the federal government was prepared to contribute a maximum of 60 cents for each free or reduced-price meal served.

But on Aug. 13, the department reported that the federal contribution would be limited to 35 cents a meal.

"This will have a disastrous effect on the school lunch and breakfast programs," the senators wrote, "and will pose a very real threat to the continued progress of the National School Lunch Program."

Neither the Agriculture Dept. nor the Senate Select Committee on Nutrition has information available to indicate how much New York State school-lunch programs would lose if the proposed cutbacks went into effect.

The chief of the state's bureau of school food programs, Richard Reed, was not available for comment.

It is known from committee sources that if the cut-backs are put into effect, the Buffalo school system alone will lose more than \$900,000 in federal funding.

Data supplied by other states indicates the senators said, that Missouri would lose \$4 million, California \$9 million and New Jersey \$8 million.

"The states cannot make up this loss from state or local funds and will have no alternative but to reduce planned participation to stay within the limitation of available funds," the senators wrote.

"Therefore, many needy and eligible children will go without school lunches." In some states, the effect might be even more calamitous, the senators warned. In Kentucky, for instance, the breakfast program will have to be canceled at the beginning of October unless more federal funds are allocated.

The letter, which has not yet drawn a response, was prepared by Sens. Hart (D-Mich.) and Cook (R-Ky.), both members of the Senate Committee on Nutrition.

[The Wall Street Journal, Sept. 16, 1971]

NIXON'S DIET FOR PUPILS
AGENCY SEEKS CURB ON SCHOOL-LUNCH FUNDS: STIFF QUIZ IS
LIKELY BY SENATE PANEL TODAY

By Burt Schorr

WASHINGTON.—The Nixon administration is planning to pull the drawstring on Uncle Sam's school-lunch moneybag far tighter than local program administrators ever expected.

As a result, hundreds of thousands of low-income youngsters who are enjoying their first nutritious midday school meals at little or no cost may soon do without again.

The financial curb is contained in a set of bewilderingly complex new lunch-funding regulations that the Agriculture Department proposed just three weeks before classes resumed this month. The state school food service directors, unit of the American Food Service Association charges that the regulations "are bringing the school-lunch programs to a screeching halt . . . and preclude any expansion to reach the additional estimated three million to five million hungry children in America."

That may be overstating the case somewhat, but it's true that the Nixon administration doesn't want to spend as much money for lunches as the state directors and their congressional allies, mainly liberal Democrats, believe is needed.

State and local officials are especially peeved because until now Washington's school-lunch rhetoric didn't give any hint that federal money to feed poor kids wouldn't be ready when needed. President Nixon, signing liberalizing amend-

ments to the school-lunch statutes back in May 1970, said the legislation "will assure that every child from a family whose income falls below the poverty line will get a free or reduced-price lunch."

But now the Agriculture Department proposes, in effect, to cut the estimated federal contribution to each such lunch to about 37 cents from the 42 cents being contributed last spring—out of a typical cash cost of 53 cents. Moreover, the proposed regulations would prevent expansion of the free and low-cost meals to more than the seven million children currently being served even if Congress should appropriate money to pay for the lunches. (Eighteen million other youngsters get lunches at higher prices.)

Agriculture Department officials face a tough confrontation today when they are due to appear before the Senate Agriculture Committee, which has direct legislative responsibility for the lunch program, to explain their position.

Initially there hadn't been any reaction on Capitol Hill, apparently because it took several weeks for local school officials to decipher the real meaning of the proposed regulations. "But now they're really screaming, and a number of Senators are concerned," says an Agriculture Committee staffer.

Yesterday, Michigan Sen. Philip A. Hart, a liberal Democrat, and Kentucky Sen. Marlow Cook, a middle-of-the-road Republican, said they had found 42 other signers for a letter to Mr. Nixon warning that the reduced funding rate will leave "hungry children in America's schools" and produce "absenteeism, dropouts and apathetic students."

Certainly, Agriculture Committee Chairman Herman Talmadge isn't pleased by the proposed regulations. Earlier this month the Georgia Democrat wrote Mr. Nixon that the rules already have "precipitated a fiscal crisis in school districts" of his home state. Waiting to hold some hearings of his own is Rep. Carl Perkins, Democratic chairman of the House Education and Labor Committee, which keeps watch on the school lunch program from the other side of the Capitol. Mr. Perkins' home state of Kentucky seems to have school lunch woes even worse than those Georgia schools face.

AN \$80 MILLION JUMP

Agriculture officials, for their part, argue that the \$615.2 million appropriated for Washington's direct cash contribution to school lunches in the fiscal year ending June 30, an \$80 million jump from last year's spending, is, after all, what Congress voted. (Overall, the federal share comes to approximately \$1.1 billion, including special milk funds and donated federal commodities. It's expected to help feed some 25 million youngsters this year, including around seven million from needy families. But it won't help roughly seven million other youngsters attending the more than 20,000 schools still without any lunch program, many of them serving low-income populations.)

Under the National School Lunch Act Uncle Sam is obliged to contribute a minimum of five cents toward every school lunch—even those for children not classified as needy—and 30 cents toward those offered free or at a reduced price. In practice, though, the contributions have been considerably greater.

The food service administrators, through a survey just completed by their Denver-based organization, respond that the appropriated funds actually are some \$170 million shy of what low-income students will need by the time the last lunch bell tolls next spring. Moreover, the administrators argue, the proposed regulations are written in a way that prevents schools from spending any supplemental funds Congress might choose to appropriate.

Ironically, many of the states that strived hardest to expand feeding in their schools at the Agriculture Department's urging now are reaping the biggest headaches. Illinois, for example, foresees a statewide lunch deficit of between \$13 million and \$18 million in the 1971-72 school year, largely because cities like East St. Louis and Chicago have been expanding their lunch programs into older schools by means of newly installed kitchens, cold meals delivered from a central kitchen and other techniques. "We have the poverty pockets right here in the larger cities and that's where the hungry kids are," says Edward F. Gaidzik, director of Chicago's school-lunch operations.

Similar expansion is causing California officials to reckon their fund shortage at \$9 million. For New Jersey, the estimate is \$8 million; for Florida, \$6.9 million, and for Georgia, \$6 million.

The missing dollars portend an even grimmer human deficit. The nine school districts serving the Phoenix metropolitan area face a combined funding gap of only \$150,000. But this may be large enough to cut off many of the 40,000 youngsters now getting free and reduced-price lunches (or roughly a fourth of total lunch program participants), estimates Norman Mitchell, food service director for Phoenix's Isaac School District No. 5.

In Detroit, public schools lunch chief Howard W. Briggs reckons that a substantial number of the 45,000 kids of the free and reduced-price-list in his district—better than half the total youngsters getting lunches this year—are threatened with loss of their prepared midday meal. Mr. Briggs worries that this will "worsen communications" with poor parents, many of them black, who only lately have been persuaded to enroll their children in the program.

For Nebraska's school food services administrator, Allen A. Elliott, the Nixon administration's proposed rules revision landed like a "real bombshell on us." Prior to the announcement, his state was betting on the addition of 45 to 50 schools to the lunch programs, but now local school boards indicate the increase will total only "10 or less," he says.

NO FOREST TO HIDE IN

There's nothing to prevent states and localities from increasing their own school-lunch funding in lieu of federal aid, but school officials almost to a man declare that alternative out of the question on such short notice. One particularly hard-hit state, Kentucky, has a common problem: Its legislature won't convene until January, and then to begin work on the budget for the two years starting next July 1. Furthermore, state governments and local school boards never have been overly quick to grab the school-lunch check; last year their share of the \$2.8 billion total cost for midday school feeding came to only 21%, against the 36% picked up by Uncle Sam and the 43% paid by youngsters themselves.

The new rules do grant states the right to tip federal aid toward the neediest districts within their borders, but the prospect of breaking such news to better-off districts, whose funding share would decline in proportion, frightens administrators. "They're asking state directors to be Robin Hoods, but the directors don't have a forest to hide in," says Detroit's Mr. Briggs.

The underlying issue, of course, is just how big—and firm—Uncle Sam's financial responsibility to needy students really is. "There's no place in the law that says the federal government shall foot the entire bill" for feeding needy youngsters, says Assistant Agriculture Secretary Richard Lyng. But his reading of the law and the intent of Congress does seem open to question. Section 11 of the National School Lunch Act, though it sets a minimum of 30 cents a lunch, plainly authorizes "such sums as may be necessary to assure access to the school-lunch program . . . by children of low-income families."

And an interpretation of congressional funding intent was provided by Republican Sen. Robert Dole of Kansas during the Senate debate on the 1970 amendments when Sen. Hart sought unsuccessfully to amend Section 11 by adding specific authorization figures for the 1971-73 fiscal years. Arguing against the wisdom of the Hart proposal, Sen. Dole, who often reflects Nixon administration thinking and who has since become Republican national chairman, asserted: "As I recall the deliberation of the (Agriculture) Committee when we had the hearings, and following the hearings, after consultation with the Executive Branch, we felt we should leave it (the money authorization) open-ended so that there could be provided whatever might be necessary. . . ."

[The Daily Mail (Hagerstown, Md.), Sept. 16, 1971]

44 SENATORS URGE NIXON TO SCRAP PROPOSED SCHOOL-LUNCH REGULATIONS

By Austin Scott

WASHINGTON.—Forty-four senators today asked President Nixon to scrap proposed new school-lunch regulations they said will cost states millions of dollars and force many schools out of the program.

Signers of a letter to the President include Sen. Gale McGee, D-Wyo., chairman of the Senate Agriculture appropriations subcommittee, and Democratic whip Robert Byrd of West Virginia. Ten of the signers are Republicans.

The letter said that under the proposed new regulations, announced by the Agriculture Department just 3 weeks before most schools began to open, states will be denied millions of federal dollars that would have helped school districts pay for lunches under the old regulations.

As examples, the letter said, Missouri will lose \$4 million, California \$9 million, Massachusetts \$3.24 million, Ohio \$5.56 million, Georgia \$4.1 million, West Virginia \$2.66 million, and Florida \$6.91 million.

"The states cannot make up this loss from state or local funds and will have no alternative but to reduce planned participation to stay within the limitations of available funds," the letter said.

"Therefore, many needy and eligible children will go without school lunches," it said. "Certainly this was not the intent of Congress when it passed (the school lunch law), nor your intent when signing it into law on May 14, 1970."

Aids to Sens. Philip Hart, D-Mich.; George McGovern, D-S.D., and Marlow Cook, R-Ky., circulated the letter after attending a Senate hearing last week where several state school-lunch directors testified the new regulations would reduce the scope of the program—not increase it as the Agriculture Department claimed.

Agriculture Department officials said at the time they announced the new regulations Aug. 4 that "we must have discipline if we're going to live within our budgets."

Three days later, 33 state school-lunch directors signed a protest accusing USDA of bringing school-lunch programs to "a screeching halt" by cutting the amount of money available to help the school district pay for each lunch served.

McGovern asked Agriculture Secretary Clifford Hardin to withdraw the new rules, but a spokesman for McGovern's Committee on Nutrition and Human Needs said there is no indication the department will.

The 44 senators asked President Nixon to keep the old regulations in effect. "In this way we could be certain that the funds Congress made available . . . would be fully utilized," their letter said.

[The Washington Evening Star, Sept. 28, 1971]

SHOWDOWN ON SCHOOL LUNCHES SET

By James Welsh

The Senate Agriculture Committee, in a showdown set for tomorrow, appears ready to demand that the Nixon administration put up at least \$100 million more than it wants to for school lunch programs for the needy.

By so doing, the committee might well wreck an enduring Washington cliché.

For any conservative purpose, so the cliché holds, the congressional agriculture committees and the executive Agriculture Department always march hand in hand.

But this time around, with Chairman Herman E. Talmadge, D-Ga., in the lead, the Senate committee is not only taking on the Agriculture Department. It is ready, in an unusual move, to approve a joint Senate-House resolution that would write school lunch regulations that Agriculture refuses to set and to impose subsidy levels the President's budget-makers refuse to approve.

NEW IN POST

Talmadge, who this year replaced Sen. Allen Ellender, D-La., as committee chairman, ordered the resolution prepared last week.

It directs the Agriculture Department to subsidize local school districts by 45 cents per lunch for every needy child, rather than the 35-cent limit imposed by the department in stringent regulations announced Aug. 13. And it says the department "shall spend" whatever it has to of the \$100 million extra school-lunch appropriation approved by Congress for this fiscal year but since impounded by the administration.

The committee will meet in executive session tomorrow.

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Talmadge is expected to carry all of the committee's eight Democrats with him, including six Southerners.

One of the two Northern Democratic members, Sen. George McGovern of South Dakota, a liberal closely identified with the hunger issue, expects to be absent tomorrow but has given Talmadge his proxy.

Rep. Carl D. Perkins, D-Ky., chairman of the House Education and Labor Committee, has introduced a resolution identical to the one the Senate committee is expected to approve tomorrow.

The legislation, to be effective, must be passed by both houses of Congress and signed by President Nixon.

REBUFFED BY OMB

The administration could avert a showdown by relenting on its stand.

But the Agriculture Department was reported today to have been rebuffed by the Office of Management and Budget and ready to announce that its Aug. 13 regulations will be made final.

OMB officials are determined to keep a lid on last fiscal year's federal spending of \$615 million for school lunches. More than half this amount was for the needy.

To many state and local school districts, the federal government's posture on school lunches has been a constantly shifting one.

In 1970, Congress passed the School Lunch Reform Act, sponsored in part by Talmadge. President Nixon, in signing it, called for "an end to hunger in the nation's school rooms."

Last spring, the Agriculture Department relaxed its spending regulations, permitting the federal payment per lunch to rise well above its previous 33-cent maximum. From March to May, as a result, the number of children in the program rose from 6.3 million to 7.1 million.

42 CENTS EXPECTED

For this school year, local districts confidently expected a federal subsidy averaging 42 cents per lunch for more than 7 million children.

The Aug. 13 pronouncement, lowering that to 35 cents, proved a shocker. It came three weeks before the opening of school and well after most local school boards had set budgets.

In the wake of the announcement, a number of school districts are reported to be abandoning the school lunch program or considering such a move. They include Albuquerque, N.M., Bridgeport, Conn., and Buffalo, N.Y.

Josephine Martin, the State of Georgia's food services director, said today her state stands to lose \$6 million if the new regulations become final.

"For our school districts, the only alternatives will be to cut participation or the quality of the lunches," she said.

Miss Martin has worked closely with Talmadge on the problem.

POPULAR ISSUE

"Talmadge," said one Capitol Hill observer, "is really taking the lead on us. He's convinced the school lunch program is very popular in Georgia. Sen. Ellender is friendly to the program to, but he would not have challenged the Agriculture Department the way Talmadge has done."

"The committee's stand has really shook up the people at Agriculture."

McGovern was the first to protest the New Agriculture Department regulations.

But it was a little-noticed Agriculture Committee hearing on Sept. 16 that set the stage for the current showdown.

At that hearing, Talmadge and fellow Southerners, including Sens. Ellender; B. Everett Jordan, D-N.C.; James B. Allen, D-Ala.; and Lawton Chiles, D-Fla., ripped into Asst. Agriculture Secretary Richard Lyng, telling him he hadn't proven his case.

THE WHITE HOUSE,
Washington, September 29, 1971.

HON. GEORGE MCGOVERN,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Thank you for your recent letter commenting on the proposed National School Lunch Program regulations.

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The Department of Agriculture is now in the process of reviewing and evaluating all of the suggestions and comments received before finalizing and publishing the regulations.

We believe that much of the criticism of the proposed regulations has stemmed from a lack of understanding of how the proposed reimbursement structure will work. Rather than causing a fiscal crisis in school districts, we believe that the proposed regulations present a breakthrough in program funding. Under the proposed regulations mid-year funding uncertainties can be avoided. In addition, for the first time in the history of the National School Lunch Program, a State needing to expand its program can do so without fear that such expansion will be at the expense of an unwarranted reduction in levels of assistance to already participating schools.

The proposed regulations do not reduce the maximum rates of assistance that were in effect last school year. The maximum rates authorized for section 4 and section 11 are, of course, considerably higher than the rates actually paid on an average basis. The higher maximum permits the States, if they so elect, to vary rates around the average in order to provide above-average rates to the poorest schools and less-than-average rates to the affluent schools.

The maximum rates of assistance authorized in the proposed regulations remain essentially unchanged from the 1970-1971 rates. A State is still authorized to pay its neediest schools up to 60 cents for a free or reduced price lunch. A maximum rate of 50 cents is authorized if the school is serving a significant number of reduced price lunches because it would be receiving revenues from the reduced payments.

The proposed amendments are concerned with the distribution of available funds among the States. They deal with the average reimbursement to be paid on a statewide basis, not the maximum rates.

A year's operating experience under Public Law 91-248 led the Department to the conclusion that it would be in the best interest of all of the States if a method of distributing available funds could be found that would better distribute the available funds among the States in accordance with expected participation at the beginning of the school year.

It was also concluded that it was necessary to go beyond funding at national average reimbursement rates to guarantee each State that no matter how much it expanded its program, it could maintain a statewide average rate of 5 cents under section 4 and a statewide average rate of 30 cents under section 11. This is the essence of the proposed regulations.

The Department's proposals are not designed to save funds. We expect to spend all the funds authorized in the 1972 appropriation act. Careful consideration is being given to the use of the additional Section 32 funds authorized to fund child nutrition needs not met by regular appropriations. The Department's consideration will be based on overall demand and the funds available.

The proposed regulations were published in the Federal Register on August 13. This was three days after the Agricultural Appropriations Bill passed by Congress on July 22 was signed into law. The comment period was limited to 15 days in order to expedite the publication of the final regulations. In view of the fact that school was due to start at the beginning of September, it was felt that any benefits to be gained by extending the comment period would be offset by the problems the States would encounter in implementing new reimbursement rates after the start of the school year.

Your interest in commenting on these proposals is appreciated.

Sincerely,

EUGENE S. COWEN,
Deputy Assistant to the President.

[The New York Times, Oct. 2, 1971]

SENATE ACTS TO FORCE RISE IN AID FOR SCHOOL LUNCHES

By Marjorie Hunter

WASHINGTON, Oct. 1—The Senate voted today to direct the Nixon Administration to borrow sufficient funds to feed the nation's needy school children. The rare move was a sharp rebuff to the Administration, which just six weeks

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ago announced new school lunch regulations that critics say would bar some two million children from free or reduced-price lunches.

The Senate measure, approved by a vote of 75 to 5, directs the Administration to borrow money from a special Agriculture Department fund derived from import duties on farm products.

Under the Senate measure, this would enable the Federal Government to increase its payment for free or reduced-priced lunches from 35 cents to 46 cents.

A similar measure has been introduced in the House and may reach the floor within several weeks.

The lopsided Senate vote reflected widespread complaints from school administrators over the Agriculture Department's allotments formula, announced in late August, just weeks before most schools opened.

In fixing the Federal allotment to the states at 35 cents a meal, Agriculture Department officials said this was the maximum available under the \$615-million voted by Congress for the year that began July 1.

Congressional critics of the Administration's cutback in school lunch allotments complained that Congress had voted every penny that the Agriculture Department had said it should have to feed the needy.

The move to force the Administration to increase the allotment was led by Senator Herman E. Talmadge, Democrat of Georgia, who is chairman of the Senate Agriculture Committee.

Terming it "emergency legislation," Senator Talmadge said it was essential to relieve "chaos, consternation and confusion in school lunch programs across the country."

NIXON VOWED RECALLED

He recalled that just last year Congress passed a law requiring that every needy school child in the nation receive a free or reduced price lunch.

He also recalled that President Nixon, in signing that bill into law, "promised to put an end to hunger among American school children."

The Senate action was unusual in that it represented one of the few times that a legislative (or authorizing) committee had sought to appropriate funds. Under normal procedure, such funding originates in Senate or House appropriations committees.

Complaining that they have been bypassed, several members of the Senate Appropriations Committee opposed the Talmadge measure. They said their own committee planned to bring out a supplemental appropriations bill within several weeks to increase funds for school lunches.

Dismissing these arguments, Senator Warren G. Magnuson, Democrat of Washington, commented: "When you're hungry, you're hungry. You can't wait until some bureaucrat sends letters back and forth."

SURPLUS IN FUND

The money that the Senate ordered the Administration to borrow from the import duty fund would be paid back later through a supplemental appropriation. The import duty fund now has about \$300-million in what is called "carry-over" money, not earmarked for other uses.

In addition to the extra 11-cent allotment for free or reduced-priced lunches, the Senate voted to increase from 5 cents to 6 cents the Federal allotment for all school lunches, including those fully paid by students.

Estimates of the cost of the increased allotments range anywhere from \$100-million to \$200-million.

Voting against the Talmadge resolution were Allen J. Ellender, Democrat of Louisiana who is chairman of the Appropriations Committee; Milton R. Young, Republican of North Dakota, ranking Republican on that committee; George D. Aiken and Robert T. Stafford, Republicans of Vermont; and Roman L. Hruska, Republican of Nebraska.

[The New York Times, Oct. 3, 1971]

LUNCHES FOR HUNGRY CHILDREN

The 75-to-5 vote in the Senate to provide more Federal money for school lunches should be a prod to the Administration to fulfill its pledges to banish hunger among America's schoolchildren.

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An allowance of 35 cents to provide each needy pupil with a nourishing meal is preposterous in this period of high costs. Even the new Senate-approved standard of 46 cents is pitifully low.

The Senate's indignation at the gulf between Administration promises and performance in combating hunger in the schools prompted it to elbow aside its own Appropriations Committee and vote to "borrow" upward of \$100 million from surpluses in an agricultural import-duty fund. The justification for this unorthodox procedure was well stated by Senator Magnuson of Washington: "When you're hungry, you're hungry. You can't wait until some bureaucrat sends letters back and forth."

The nation's children will be more adequately fed if the House shows similar impatience.

[The Wall Street Journal, Oct. 7, 1971]

ADMINISTRATION TO LIFT SCHOOL LUNCH FUND \$135 MILLION BUT TIGHTENS ELIGIBILITY RULES

WASHINGTON—The Nixon administration, retreating before charges that it's refusing to feed low-income children, said it will increase its spending for free and reduced-price school lunches \$135 million in the current school year.

At the same time, Assistant Agriculture Secretary Richard Lyng said lunch eligibility standards were being tightened, a move that critics said would continue to keep hundreds of thousands of youngsters in higher-income states from participating in the program.

The latest change in school lunch policy is incorporated in a revised version of Agriculture Department regulations to be published shortly in The Federal Register. When the original version of the regulations was proposed in August, state and local lunch administrators protested that it would hold Washington's school feeding contribution at a level lower than they had expected and possibly force an end to free and reduced-price meals in many areas.

Under the final regulations, the basic federal cost of all lunches served continues to be a minimum of five cents. For free and reduced-price meals, though, Agriculture will pay a minimum of 40 cents additional, or 10 cents more than was called for in the initial proposal. The new figures would hold Washington's share of the average school lunch cost at about the levels of last year, instead of allowing that share to decline, as the administration had intended. The Agriculture Department estimates that in the fiscal year ended last June 30, Uncle Sam picked up about 33% of the 60-cent cost of an average lunch, state children accounted for the remaining 44%.

Mr. Lyng estimated that the increase in reimbursement rates will raise the cost of the federal school lunch program to about \$750 million in the current fiscal year, about 40% more than last year. The additional funds will enable the program to reach eight million needy children with free or reduced-price meals, Mr. Lyng said. This will be nearly one million more than the department first estimated, on the basis of the regulations as they originally were written.

Agriculture has enough funds to start spending at the higher level immediately but probably will go to Congress later in the year for supplemental funds, Mr. Lyng added.

Whether Congress will be satisfied with these plans isn't certain. Last week, the Senate, by a 75-5 margin, voted to impose on the administration a more generous formula for distributing school lunch funds than it originally proposed. The Senate formula is close to the one announced by Mr. Lyng, except that its basic contribution would be one cent higher, or six cents, adding \$41 million more to federal costs, the Agriculture Department figures.

The House Education subcommittee wound up its hearings on school lunch regulation yesterday. Subcommittee Chairman Roman D. Pucinski (D., Ill.) and Carl D. Perkins (D., Ky.), chairman of the parent committee, both favor House passage of the Senate bill.

However, the major question now appears to be whether the House committee will challenge the Agriculture Department's new restrictions on the approximately 30 higher-income states, which define poverty at an income level higher than the one used by the department in its lunch regulations. More than 500,000 youngsters in these states, many from welfare families, who were eligible for free and reduced-price lunches on this basis last year, thus will be excluded this year.

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Kenneth Schlossberg, staff director of the Senate Select Committee on Nutrition and Human Needs, who was present at the briefing by Mr. Lyng, said that some one million youngsters will be frozen out of the program by the changed regulation. "The Nixon administration is giving \$135 million with one hand and taking away almost as much with the other," he contended.

This may be an overstatement, but the department doesn't have an estimate of its own to refute it. Mr. Lyng could only estimate that the federal cost of serving needy children in the 30 states last year amounted to \$20 million to \$30 million. A school lunch aide acknowledged, however, that, because the program had the potential of reaching more children this year than last, the federal saving through tighter poverty guidelines could be substantially larger than that figure in 1971-72.

[The Washington Post, Oct. 7, 1971]

U.S. RETAINS LUNCH SHARE, CUTS 584,000 OFF PROGRAM

By Nick Kotz

The Nixon administration, bowing to congressional pressure, yesterday decided not to reduce federal contributions to the free school lunch program. But at the same time, it tightened eligibility standards, thus eliminating 584,000 children from the program.

Assistant Secretary of Agriculture Richard Lyng announced that the government will pay about 45 cents of the cost of a free or reduced-price lunch for poor children. The Senate last week had voted overwhelmingly to reject an administration plan to drop the federal contribution to 35 cents.

However, the government trimmed the rolls of children eligible for the free lunch program by limiting federal benefits to children from families with annual income of less than \$3,940 for four persons.

The 1970 National School Lunch Reform Act stipulated that schools in the program must provide meals free or at a token cost (5 to 20 cents) to all children whose families met the \$3,940 poverty-income guideline. But states were also permitted to establish more generous guidelines. Forty states did, including Maryland, Virginia and Washington, D.C.

These states no longer will get special federal funds to continue providing free lunches to an estimated 584,000 children from families with more than \$3,940 income. The free lunches will continue only if state and local governments pick up the full costs.

A New York State school lunch official said perhaps a majority of New York City children will lose their free lunches.

In Montgomery County, Maryland, four-member families with \$4,400 to \$4,650 annual income, had been eligible for benefits, depending on the number of a family's children in school.

In Virginia, Arlington, Fairfax, and Falls Church provided free meals if a child's family had less than \$4,940 income.

The District of Columbia gave free or reduced-price meals to children in families with less than \$4,830 income.

All children, poor and non-poor alike, receive a partial federal subsidy of meals provided them under the National School Lunch Program set up in the 1940s. The federal government pays 5 cents in cash and 7 or 8 cents in surplus commodities towards the cost of all school lunches.

For example, the total actual cost of a Montgomery County School lunch is 68 to 73 cents. The child pays 45 or 50 cents, the federal government 13 cents, and the rest is made up in state or local funds. This applies to rich and poor children.

But in the case of a poor child, the federal government now will pay 45 cents of the total cost.

Lyng said the federal government will pay \$225 million in cash and \$300 million in commodities towards the lunch costs of all children and an additional \$500 million toward costs of free or reduced price meals for poor children.

The dispute in Congress involved the amount of the federal share of costs for free or reduced-price meals. The administration had planned to cut the average federal contribution, but now will raise it slightly over last year.

School lunch officials throughout the country had protested to Congress that the reduced federal payment would cripple their lunch programs.

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Lyng said about 8 million poor children this year will receive free or reduced-price lunches.

An additional 16 million non-poor children participate in the program and benefit from the smaller federal subsidy.

Another 30 million school children are not in the national lunch program, either because they don't choose to buy lunch at school or because their school is not in the program.

Sen. George McGovern (D-S.D.), chairman of the Senate Select Committee on Nutrition praised the administration for its decision to increase federal support of lunches for the poor, but said the change in eligibility requirements "robs a poor Peter to help a poor Paul."

The increased federal payments will cost an additional \$135 million a year, but the government hopes to save about \$47 million by its new restrictions on eligibility.

Sen. Herman Talmadge (D-Ga.), sponsor of the Senate resolution ordering the administration not to cut payments, said he was "gratified . . . that the Agriculture Department had now agreed to obey the law."

McGovern said the Agriculture Department was clearly violating the "letter and spirit" of the 1970 School Lunch Reform Act, which provided that states can set higher eligibility standards. He pointed to legislative history, in which members of Congress stressed that states could implement more lenient standards.

Lyng, however, said yesterday that USDA can limit eligibility because the law calls for giving priority to the neediest children. Lyng said many states and school districts lack "fiscal restraint." He said one school district provided lower-cost meals to children from families with less than \$7,500 annual income.

Lyng said he opposes the concept of providing free school lunches to all children and that he believed many school districts were heading in that direction.

[The New York Times, Oct. 7, 1971]

U.S. INCREASES PUPIL LUNCH AID BUT TIGHTENS RULE ON ELIGIBILITY

WASHINGTON, Oct. 6—Yielding to Congressional pressure, the Department of Agriculture today liberalized Federal payments to states under the school lunch program.

At the same time, however, the department issued a new restriction that critics estimate will eliminate about one million needy children from the program.

Under the regulations made public by the department today, the Federal share of lunch program costs was increased from a proposed level of 35 cents a meal to 45 cents a meal, one cent short of the level approved by Congress last week.

The department first sought to revise regulations governing disbursement of school lunch program funds in mid-August. Assistant Secretary of Agriculture Richard E. Lyng said then that the department would for the first time guarantee a minimum Federal reimbursement to states of 35 cents a lunch. Before this, there was no set reimbursement rate, and states could get up to 60 cents a meal back from the Government.

A period of 15 days was allowed for public comment on the proposed change.

The department's original 35-cent proposal met with sharp criticism from at least 22 Congressmen and school lunch officials across the nation. These critics charged that the 35-cent rate—7 cents lower than the average rate paid last year—would necessitate massive cuts in the number of children receiving lunches.

Some of these same critics said today that the department's new stipulation, which provides that states must adhere to an income level of \$3,940 a year in determining eligibility, would have the same result.

Senator George McGovern of South Dakota, chairman of the Senate Select Committee on Nutrition and Human Needs, and Representative Carl D. Perkins of Kentucky, both Democrats, estimated that one million children would be forced out of the program as a result of the new restriction.

Senator McGovern said about 40 states and the District of Columbia had used income levels higher than the official \$3,940 Federal level to determine eligibility. In New York, for example, the level used to determine eligibility is \$4,250, he said. In many other states the level is between \$5,500 and \$6,000, he said.

Mr. McGovern also said that heretofore all welfare recipients were eligible but that this would not be the case under the new regulation.

Phillip Olsson, Deputy Assistant Secretary of Agriculture said the new restriction was aimed at halting a trend.

He said: "We have found that some school districts are raising their poverty levels so that more names can be added to lunch rolls, resulting in the Government paying for the entire program.

"In Newark for example, one district requested funds using a poverty level of \$7,000," Mr. Olsson said.

Critics of the new regulation expressed concern that, unlike the other proposed regulation changes, it was not subject to a period of public comment.

Critics said this was a last-ditch effort by the department to stay within inadequate budget.

Senator McGovern said the move might even be illegal, but Mr. Olsson said it was within the department's prerogatives.

"We usually allow a period of public comment prior to finalizing regulations because we think it's a good idea, but in cases where we must add regulations at the last minute we waive this policy," he said.

The new regulation was imposed after the department failed to reach a compromise with Representative Perkins yesterday on a Federal share of costs somewhere between 37 cents and 45 cents.

[The New York Times, Oct. 8, 1971]

FUDGE FOR LUNCH

The administration is demonstrating a remarkable capacity for missing the point of the School Lunch Program. Congress has repeatedly made clear that it wants the low-income children of the Nation to have lunches available to them, but the Department of Agriculture, looking at budgets rather than children, keep resisting the intent of Congress. Last week the Senate voted to direct the Agriculture Department to reimburse the States more generously than the Department's formula, announced last summer, would allow. Overruling its own Appropriations Committee—a rare gesture in itself—the Senate authorized the temporary use of other departmental funds to expand the lunch program.

Now the Agriculture Department has increased its spending for free and reduced-price lunches but at the same time set a new, low eligibility standard of \$3,940 a year for a family of four. At least 30 States permit children to participate although their families have incomes slightly higher than this. In New York, for example, the eligibility level is set at \$4,250.

The effect of the Department's bureaucratic maneuver is to cut about 1 million needy children out of the lunch program. It is a direct blow at the Nation's working poor, who have already suffered worst from the inflation of recent years. The administration has shown how resourceful it is at fudging the hunger issue, but fudge does not make a satisfactory lunch.

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New Play In The Big Game Plan Against The Kids



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October 8, 1971

[The Washington Post, Oct. 9, 1971]

TAKING BACK THE LUNCH MONEY

As though involved in a complicated game of football—a long gain made on one play is wiped out by a fumble on the next—the Department of Agriculture increased federal payments to the free school lunch program by \$135 million a year but then cut back \$47 million by imposing new restrictions on eligibility. It is a positive move that the administration is raising its share in the cost of free or

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reduced-price lunches for poor children to about 45 cents, even though it was forced to this generosity by the Senate. Pushed away from the table, however, are an estimated one million children; they have the bad luck to be members of families where the income is about \$3,940 a year for four persons.

This figure was set as a minimum eligibility requirement by the 1970 National School Lunch Reform Act. States were allowed to help children from families earning more than the minimum; officials realized that these families—earning, say, \$4,300 or \$5,500 a year—are very much in poverty also and can be hard-pressed for children's lunch money. But these children are now to be cut off; the free lunches will continue only if state and local governments come through, a questionable prospect. Sen. George McGovern, chairman of the Senate Select Committee on Nutrition, aptly said that the administration's shift "robs a poor Peter and help a poor Paul." Of course, this robbing is not the kind usually associated with the unsavory word—a gun stuck in the ribs, and order to fork over the cash. An assistant secretary of the Agriculture Department was quick to express his belief that the new restrictions on eligibility were within the law. Others, including Sen. McGovern, disagree.

While the legal argument goes on, at least 600,000 children, and perhaps double that, are expected to be told, "Sorry, no more food for you." (In the District of Columbia, an estimated 12,000 children might be dropped.) What is a child to think when told this—that the cutback makes sense because the government will save \$47 million? Hardly. The children will feel cruelly rejected. The parents will be embittered once again, even more so if they happen to recall the ringing words of President Nixon: "The moment is at hand to put an end to hunger in America . . . for all time." That was said in May 1969, more than two years ago; apparently, the moment to end hunger is no longer at hand.

A possibility exists that the administration's decision can be reversed or at least eased. The Department of Agriculture is meant only to carry out the law, not make it. Rep. Carl Perkins of the House Education and Labor Committee is hard at work to bring legislative pressure to prevent the elimination of these children from the program. He expects to bring proposals before the House shortly. One can only hope his efforts will succeed.

[The New York Times, Oct. 10, 1971]

U.S. TIGHTENS RULE ON FREE LUNCHES

WILL CUT 350,000 PUPILS HERE FROM PROGRAM

By Irving Spiegel

A new Federal regulation will cut off free lunches for 350,000 of the 390,000 city school children now getting these lunches, the head of the program said yesterday.

Julius Jacobs, director of the Board of Education's Bureau of School Lunches, said in an interview it would cost about \$40-million a year to continue the free lunches for those pupils. He said he did not know if the city or the state would be willing to provide that amount.

Under a regulation announced by the Department of Agriculture last Tuesday, the eligibility ceiling has been dropped to \$3,940 for a family of four. New York has been using an income ceiling of \$4,250 for such a family.

In tightening a rule on eligibility, the Department of Agriculture at the same time liberalized Federal payments to states under the school lunch program, increasing a proposed level of 35 cents a meal to 45 cents a meal, 1 cent short of the level that had been approved by the Senate last week.

CALLED A DISASTER

While the Department of Agriculture has estimated that 7.5 million of the nation's school children are getting either free or reduced-price lunches under its program, Congressional leaders have been sharply critical of the new eligibility ruling.

Mr. Jacobs described the new regulation as a "disaster," asking, "How can children learn with empty stomachs?" Another Board of Education official,

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Walter Scully, assistant director of the lunch program, also warned of a "disastrous effect" on the children.

"This is a bad dream," said Mr. Jacobs, "a nightmare. We press hard for Congress to press for increased payments for lunch, and along comes this regulation to negate advances."

CONTACTS U.S. OFFICIALS

Mr. Jacobs said he had been in touch with officials of the Department of Agriculture concerning the date when the new regulation would be effective. He said he was pessimistic on the possibility that there might be some relaxation of the new regulation.

Mr. Jacobs based his \$42-million estimate on what he said was a "rough calculation" that the free lunches cost 50 cents each and were served 185 days during the school year. He said lunches were served to 450,000 pupils in the public schools here, with about 60,000 of them paying for the meal.

He said he would meet with officials of the Board of Education this week on the problem.

Senator George McGovern of South Dakota, chairman of the Senate Select Committee on Nutrition and Human Needs, and Representative Carl D. Perkins of Kentucky, chairman of the Education and Labor Committee, another Democrat, estimated that under the new restriction, about one million children nationwide would be forced out of the lunch program.

Both pointed out that about 40 states and the District of Columbia had used levels higher than the official \$3,940 Federal level to determine eligibility.

Philip Olsson, deputy Assistant secretary of Agriculture, said that the new restriction was aimed at stopping school districts from raising their poverty levels "so that more names can be added to lunch rolls, resulting in the Government paying for the program."

[The Washington Evening Star, Oct. 13, 1971]

NEW CHALLENGE SET ON LUNCH PROGRAM

By James Welsh

The House Education and Labor Committee is expected to pass a resolution directly challenging the Nixon administration's latest move to curb the scope and cost of the nation's school lunch program for the needy.

The resolution expressly bars the Agriculture Department from doing what last week it announced it would do—limit eligibility in the program to children from families with annual income no higher than \$3,940 for four persons.

Under provisions of existing law, 31 states have elected to make eligible children from families with income higher than that.

Were the Department's stricter regulations allowed to stand, an estimated 584,000 children in those states would be cut from the free-lunch program, which currently serves some 7 million youngsters across the nation.

PASSED UNANIMOUSLY

The new resolution was approved unanimously yesterday by the House subcommittee on Education, headed by Rep. Roman Pucinski, D-Ill.

It is expected to get quick approval by the full committee and come before the full House early next week.

As it stands, the resolution reflects the latest chapter in an administration—Congress tug of war over school lunches that began in early August.

It was then that Agriculture Department officials, acting on orders from White House budget makers, announced regulations that lowered from 42 to 35 cents the federal subsidy per lunch for every school child.

Sen. Herman E. Talmadge, D-Ga., chairman of the Senate Agriculture committee, last month introduced a joint resolution calling for the federal subsidy to be set at 45 cents per lunch, and directing the secretary of Agriculture to spend whatever funds might be necessary from an import duty over which he has discretion.

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UPPED BY A PENNY

The Senate, raising the subsidy figure per lunch by a penny to 46 cents, approved the resolution.

Last week, as the House subcommittee prepared to take up the issue, Agriculture officials announced they would go along with the higher subsidy figure. With no other change, that would have meant an outlay of \$140 million more than the administration originally wanted to spend on the program.

But to recoup most of that money, the department announced the new eligibility requirement.

[U.S. Senate Select Committee on Nutrition and Human Needs, press release, Oct. 15, 1971]

59 SENATORS WRITE PRESIDENT URGING WITHDRAWAL OF SCHOOL LUNCH REGULATIONS THAT WOULD DEPRIVE 1.5 MILLION CHILDREN OF LUNCHES

Senators Hart (D-Mich), Cook (R-Ky.), Williams (D-NJ), Case (D-NJ), Cranston (D-Calif) and 54 other Senators today urged President Nixon to prevent USDA for issuing regulations that would eliminate 1.5 million poor children from school lunch programs.

Full text of the letter is attached.

U.S. SENATE,
SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS,
Washington, D.C.

The PRESIDENT,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: We are writing to you once again out of a deep concern regarding the school lunch regulations which are being issued this week by the Department of Agriculture. On September 9, 1971, forty-four Members of the United States Senate wrote a letter to you objecting to the proposed regulations, primarily because of the proposal to reduce the reimbursement rate for free and reduced price lunches to a state wide average of 35 cents per lunch, and because of the failure to provide for continuing the authority to transfer funds from Section 32 to the School Breakfast Program. Recently, it was announced that the Department would strike the 35 cent requirement and substitute a figure of 45 cents. We think that this is certainly a step in the right direction and the indication that the Department of Agriculture was prepared to follow through on our mutual promise to feed the Nation's hungry schoolchildren brought a reaction of considerable joy and confidence.

Yet, at the same time, we now learn that the Department intends to arbitrarily limit the eligibility of poor children for the program by reversing its past policy by interpreting the national eligibility standard instituted by Public Law 91-248 as a ceiling rather than a floor on participation. Such an interpretation violates both the letter and the spirit of the National School Lunch Act.

The national eligibility standard for receiving free or reduced price lunches was one of the major changes in the National School Lunch Act made by Public Law 91-248. The law states that "any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at a reduced cost." (42 U.S.C. 1751 § 9.) This eligibility standard was explained on the floor of both Houses of Congress and in the Conference Committee Report on H.R. 515, the legislation which promulgated the requirement.

During the Senate consideration of this legislation it was made clear that the intent of the "minimum eligibility standard" (emphasis ours) was to "clarify eligibility for all schools. Children and parents would know precisely where they stood. Yet, within the minimum standards set, state and local school districts would still make the determination of eligibility." (Congressional Record; 2/20/70: S. 2123 ff.) The Conference Committee Report on H.R. 515 also made clear the intent of Congress that this eligibility level be a minimum when it stated that "the Conference amendment to the eligibility standard for free and reduced price lunches makes it clear that every child from a household with an

income below the poverty level shall be served free or reduced price meals . . . It should be clear that, although the poverty guideline is the only mandatory national standard, children from a family meeting other criteria shall also be eligible for free or reduced price school lunches." (Conference Report 91-1032.)

In explaining the Conference Report on the floor of the House, Representative Quie, a member of the Conference Committee, explained that "the local school authorities retain their authority to provide free or reduced cost lunches for children who come from a family whose income is above the poverty lines." (Congressional Record; 5/4/70: H. 3805 ff.) In a colloquy with Senator Talmadge during Senate consideration of the Conference Report Senator Javits also made this clear when he said ". . . and very important, the poverty level standard is a minimum level and is not a ceiling. Therefore, children who meet the poverty level criteria in a state like New York where the poverty level is above the national level, would still get free and reduced price lunches." (Congressional Record: 4/30/70: S. 6370 ff.)

In addition, it must be clear that USDA in the year following the passage of Public Law 91-248 very well understood this intent of Congress. The school lunch regulations for the school year 1970-1971 provide eligibility levels over and above the minimum standard in this way:

Any criteria included by a school food authority in addition to the minimum criteria specified in this section shall relate to providing free or reduced price lunches to children who would not be eligible for such lunches under such minimum criteria. In no event shall any such additional criteria operate or be applied so as to deny free or reduced price lunches to children who qualify for such lunches under the minimum eligibility criteria required by this section. (Federal Register; Title 7, Chapter II, Part 245 § 245.3(b).)

The purpose of the regulation cited above was to make it clear that all children under the minimum level would be served a free or reduced price lunch and that any additional criteria could be used only if it served to increase the participation rate and could not be used to deny a lunch to a child who would be eligible solely on the basis of income and family size. Thus in its regulations the Department has clearly made provision for local authority to adjust the minimum eligibility standard upwards based on variations in such things as cost of living, geographical peculiarities and so on.

It is well established, then, that the intent of Congress in providing a minimum national eligibility standard was to see that all children under this level *shall* be served a free or reduced price lunch and that those who may require such a lunch because of any of a number of other circumstances, as determined by the state or local school authorities, shall be covered by the program as well.

An interpretation of the eligibility standard as a ceiling rather than as a floor will serve to eliminate from the program at least one million children who would otherwise be eligible under the standards established by the states. This in itself may be conservative in view of earlier reports from some of the states. For example, California estimates that 25 percent of the eligibles or 175,000 would be eliminated under these regulations; Michigan estimates that 150,000 would be eliminated; and New Jersey estimates that 50 percent or 75,000 would be eliminated.

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In conclusion, Mr. President, we urge you to intervene in this situation immediately and to prevent what we must consider an unlawful interpretation of Public Law 91-248 which was passed by the Congress and signed by you as a fulfillment of our pledges to put an end to hunger in America's schoolrooms.

Sincerely,

PHILIP A. HART,
MARLOW W. COOK,
HARRISON A. WILLIAMS,
CLIFFORD P. CASE,
ALAN CRANSTON.

CLINTON P. ANDERSON,
BIRCH BAYH,
LLOYD BENTSEN,
ALAN BIBLE,
QUENTIN N. BURDICK,
ROBERT C. BYRD,
HOWARD W. CANNON,
LAWTON CHILES,
FRANK CHURCH,
ALAN CRANSTON,
THOMAS F. EAGLETON,
J. W. FULBRIGHT,
MIKE GRAVEL,
FRED HARRIS,
PHILIP A. HART,
VANCE HARTKE,
ERNEST F. HOLLINGS,
HAROLD HUGHES,
HUBERT H. HUMPHREY,
DANIEL INOUE,
HENRY M. JACKSON,
EDWARD M. KENNEDY,
WARREN G. MAGNUSON,
GEORGE MCGOVERN,
THOMAS J. MCINTYRE,
LEE METCALF,
WALTER MONDALE,
JOSEPH M. MONTOYA,
FRANK E. MOSS,
EDMUND S. MUSKIE,
GAYLORD NELSON,
JOHN O. PASTORE,
CLAIBORNE PELL,
WILLIAM PROXMIRE,
JENNINGS RANDOLPH,
ABRAHAM RIBICOFF,
WM. B. SPONG, Jr.,
ADLAI STEVENSON,
STUART SYMINGTON,
JOHN V. TUNNEY,
HARRISON A. WILLIAMS, Jr.,

HOWARD H. BAKER, Jr.,
J. GLENN BEALL, Jr.,
HENRY BELLMON,
J. CALEB BOGGS,
EDWARD BROOKE,
JAMES L. BUCKLEY,
CLIFFORD P. CASE,
MARLOW W. COOK,
ROBERT P. GRIFFIN,
MARK O. HATFIELD,
JACOB A. JAVITS,
CHARLES MCC. MATHIAS, Jr.,
BOB PACKWOOD,
CHARLES PERCY,
RICHARD S. SCHWEIKER,
HUGH SCOTT,
TED STEVENS,
ROBERT TAFT, Jr.

[The New York Times, Oct. 15, 1971]

NIXON'S OWN EXPERT CRITICIZES CUTBACKS IN SCHOOL LUNCHES

By Jack Rosenthal

WASHINGTON, Oct. 14—The Nixon Administration was sharply rebuked today by a House Committee and by its own leading authority on hunger for seeking to eliminate federally subsidized school lunches for possibly 1.5 million needy children.

These were among developments today that strengthened the likelihood that Congress would order the Administration to reverse itself next week.

By a vote of 31 to 0, the House Education and Labor Committee reported out a measure to require such a reversal. The size of the vote was regarded as a strong sign that the House would pass the measure easily when it comes up Monday.

ECONOMY REASONS CITED

And at a Senate hearing an hour earlier, Dr. Jean Mayer characterized the proposed cuts as "mean-spirited." Dr. Mayer is a Harvard nutritionist who has served as President Nixon's special consultant on hunger and as chairman of the White House's 1969 Conference on Nutrition and Hunger.

The cuts were called for, he said later in an interview, by the White House's Office of Management and Budget for economy reasons. "We ought to find better ways to save our money than to take it out of the mouths of hungry children," he said.

The budget office, he said, is pursuing "a narrow, legalistic approach at the meanest possible level."

In a further development, it was learned that at least 50 Senators, including leaders of both parties, had signed a letter protesting the cuts, to be sent to the President tomorrow.

Such breadth of sentiment is taken as a strong indication that the Senate will endorse a House-passed bill in conference, also likely next week.

The Senate has already passed an earlier, different Administration plan to restrict lunch subsidies for needy children.

This plan would have restricted the amount of Federal subsidy for each lunch but left unchanged the number of children served. After the Senate vote, this plan was changed. The per-meal subsidy was increased, but the number of children was reduced.

RIGHT HAND GIVES—LEFT HAND TAKES

This prompted angry assertions that the Administration was giving with one hand and taking away with the other.

Such reactions were renewed today in the House committee session. Representative Roman C. Pucinski, Democrat of Illinois, said, "It is amazing the extent to which the Administration rewrites the intent of Congress. When Congress passes legislation we mean that it should be enforced."

The measure reported out by the committee expressly barred the Administration from reducing the number of children served by the subsidized school lunch program.

According to estimates by the Department of Agriculture about 600,000 children would be eliminated from the program by the new Federal policy. The Senate Nutrition Committee, however, estimates the total at 1.5 million. The latter figure is in accord with a survey last week by the House committee showing 1.2 million in 39 states.

Of these, an estimated total of 400,000 children would be cut in New York alone. That fact prompted 19 members of the state's House delegation to send a joint letter of protest today to Secretary of Agriculture Clifford M. Hardin.

The House committee also endorsed an amendment, offered by Representative James H. Scheuer, Democrat of the Bronx, requiring reversal of recent restrictions in the school breakfast program. This is a much smaller but rapidly growing program designed for needy children.

Dr. Mayer testified at a hearing of the Senate Nutrition Committee on the desirability of free school lunches for all children. This has been proposed by Senator Hubert H. Humphrey, Democrat of Minnesota.

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Dr. Mayer said he thought such a program would cost as much as \$7-billion. "I would hope," he said, "that we are smart enough not to have spent \$7-billion to buy lunch for all children in order to reach all needy children."

"But if the [office of management and budget] pressures continue to exercise themselves on the school lunch program with as much means spirit as they recently have been exercised, they will leave us no recourse but to fight for a universal school lunch program."

The present Federal policy would permit subsidies only to children of families below the federally defined poverty level, now \$3,940 for an urban family of four.

"But no one who has followed the issue would have expected the Administration to interpret 'needy' to exclude people who are poor but not quite that destitute," Dr. Mayer said later.

[The Wall Street Journal, Oct. 15, 1971]

HOUSE PANEL APPROVES UNANIMOUSLY BOOSTING SCHOOL-LUNCH SPENDING

BIPARTISAN SLAP AT ADMINISTRATION WOULD REVERSE STRICTER RULES;
31-0 VOTE HINTS EASY PASSAGE

WASHINGTON—In a bipartisan rebuke to the Nixon administration, the House Education Committee unanimously approved legislation designed to increase federal spending for free and reduced-price school lunches.

The committee's bill seeks to overturn regulations the Agriculture Department announced last week that would reduce the number of children eligible for school-lunch subsidies. The committee estimated that its measure would result in restoring subsidies from some 1.2 million children in 38 states.

The 31-to-0 committee vote suggests easy passage when the bill reaches the House floor. The measure then would have to be reconciled with a Senate-passed bill that has the same intent but somewhat different provisions.

The Nixon administration has been in hot water with Congress for several weeks over an original Agriculture Department plan to reduce outlays for school lunches. After the Senate passed its bill calling for higher subsidies, the Agriculture Department sought to forestall House action by announcing last week that it would increase overall school lunch spending \$135 million in the current school year.

At the same time, however, the department imposed tighter eligibility standards for subsidized lunches, and this brought a swell of protest from higher-income states threatened with a loss of funds. Local and state pressure prompted both Republicans and Democrats on the House committee to support the legislation repealing the eligibility rules.

[The Washington Post, Oct. 15, 1971]

CONGRESSIONAL REPORT: HOUSE UNIT RESTORES LUNCH PROGRAM

The House Education and Labor Committee, by a 31 to 0 vote, yesterday rebuffed the Nixon administration's plan to eliminate about one million poor children from the free school lunch program.

The committee also authorized the administration to use special funds to meet state and local requests for an expanded school breakfast program for poor children.

The House bill attempts to counterattack several proposals by the Agriculture Department for changes in school feeding programs.

The administration originally attempted to limit lunch spending by providing only 35 cents of the cost of free meals for poor children. Following passage of a Senate resolution ordering USDA to pay 46 cents, the department agreed to pay 45 cents, but at the same time ruled ineligible about 1 million children from families with income in excess of \$3,940 annually for a family of four.

The Education and Labor Committee ordered USDA to pay 46 cents and not to eliminate children now eligible for benefits.

It authorized use of special USDA funds to permit the department to expand the breakfast program. USDA had ordered states not to add new breakfast programs because funds are exhausted.

The bill will be considered by the full House Monday. If approved, it will be considered in conference with a similar Senate bill.

President Nixon then will have the option of signing or vetoing legislation that orders his administration not to carry out its plans.

[The Washington Post, Oct. 16, 1971]

SCHOOL LUNCH EDICT HIT BY 59 SENATORS

Fifty-nine senators urged President Nixon yesterday to reverse an Agriculture Department edict that they said would deny at least one million poor children free lunches.

The letter campaign was organized by Sens. Philip A. Hart (D-Mich.), Marlow W. Cook (R-Ky.), Harrison P. Williams (D-N.J.), and Alan Cranston (D-Calif.).

The senators accused the Agriculture Department of interpreting the eligibility standards for free or reduced-price meals as a ceiling rather than a floor.

They urged the President to "intervene in this situation immediately and to prevent what we must consider an unlawful interpretation (of the law) which was passed by Congress and signed by you as a fulfillment of our pledges to put an end to hunger in America's schoolrooms."

[The New York Times, Oct. 17, 1971]

SCHOOL LUNCHES: THE SCRIPT CALLED FOR SOME EMPTY TRAYS

By Jack Rosenthal

WASHINGTON—National School Lunch Week was marked here last week, and the formalities were scrupulously observed. The President issued the usual proclamation. An elaborate display of child nutrition photographs went up in the Agriculture Department lobby.

But in the eyes of many, these honorifics had ironic overtones. For while the bureaucracy was performing the mindless rituals the Administration was trying to eliminate as many as 1.5-million needy children—perhaps 400,000 in New York alone—from the most critical part of the school lunch program.

This is the "free and reduced price" component, which now provides Federal funds for subsidized lunches for 7.3-million children, many of whom otherwise would not eat lunch at all.

Thus there was widespread outrage when the Administration pressed a sustained effort to restrict the program. Dr. Jean Mayer, who has served as President Nixon's chief adviser on hunger, said the Administration was pursuing "a narrow legalistic approach at the meanest possible level." An aroused Congress started to weigh in even more sternly.

By a 31-to-0 vote, a House committee last week cleared a bill forbidding the Administration to cut either the number of dollars, or children in the program. A protest letter to the President quickly attracted the signatures of 59 Senators, including the Republican leaders. And there was general expectation that by the end of next week, Congress as a whole will bluntly order the Administration to reverse itself.

The Administration's conduct provoked almost as much astonishment as outrage. For the Administration had pledged to provide subsidized lunches to every needy child—and it has, with Congressional prodding, come close to that goal, doubling the number of children served since it took office in January, 1969. Just last March, the Department of Agriculture greatly liberalized Federal spending for the program.

Then on Aug. 13, the department announced sudden new cutbacks in its financial support of the program. Since the department had already approved state feeding plans on the liberalized basis, and since schools were just days away from opening, there was turmoil.

Once back from vacation, an aroused Senate quickly ordered the Administration once again to increase spending. And five days later, the Administration announced an ostensible surrender on the financial side. But there was a catch.

Having failed to cut the Federal subsidy per child, the Administration took a new tack. Now it would cut the number of children requiring subsidies, forbidding states to use Federal funds for children of the near poor (which it largely left to the states to define), only permitting their use for the poor (families of less than \$3,940 income).

The official rationale was that same states had abused the program, subsidizing children who were not truly needy.

Even critics concede there is a valid question about how far up the income scale the Federal subsidy should reach. But few believe the rationale; making \$3,940 the cutoff point for assistance was judged to be an obvious attempt at budget-cutting.

According to one insider's account, the August effort to restrict Federal subsidies came only after White House budget officials refused an Agriculture Department plea for more money.

And the case for cynicism about the second effort at cutting the program is plain just from the arithmetic, says John R. Kramer, a leading figure in the anti-hunger lobby. The cost of the August proposal—more children but less money per child—would total \$432-million. "Isn't it odd," he asks, "that the second approach—more money but fewer children—also totals out to \$432-million?"

Even with legislative relief now imminent, some Congressmen are so angered by the Administration's conduct that they want to deprive it of any discretion and give free lunches to all schoolchildren to insure that all needy children are covered.

Dr. Mayer, among others, opposes this, arguing it could cost \$7-billion, only a fraction of which would reach the needy. But, he said last week, if the Administration's budget pressures continue with as mean a spirit, "that will leave us with no recourse but to fight for a universal school lunch program"—even one that costs \$7-billion.

[The Washington Post, Oct. 17, 1971]

UNRESOLVED QUESTION: WILL THE GOVERNMENT FEED THE HUNGRY?

By Nick Kotz

When the Johnson administration asked Congress for \$1 million to start a pilot school breakfast program for poor children, Rep. Jamie Whitten replied indignantly: "Do you contemplate having a pilot dinner program—evening meals—called supper where I grew up?"

Whitten's reaction was predictable. As chairman of the House Agriculture Appropriations Subcommittee, he never has showed much sympathy for federal programs to feed the poor or do anything else to help them. But Whitten, in his own folksy manner, posed a question which is still unresolved—the extent of the federal responsibility to feed the hungry of this nation.

Resolution of that question becomes increasingly important as the Nixon administration in program after program has attempted to impose a ceiling on federal food aid. In almost every instance, Congress has reacted by ordering the administration to feed all of the poor.

Only five years ago—or 10 at the most—there was no issue. The problems of hunger and malnutrition, along with the other results of poverty, were seen dimly if at all by the public and the government. It was assumed that the Salvation Army, local government or private charity kept anyone from going hungry.

There were relatively small federal food programs—food stamps, surplus commodities, and school lunches—but no one in or out of government looked closely to see whether they actually met the needs of the poor. The programs were adopted to help American agriculture dispose of its surpluses, and they were administered with that thought in mind.

Since 1967, however, an ever-growing band of food aid reformers has zeroed in on the problem of hunger and the inadequacy of federal programs. This awakening to hunger was part of a larger awakening to the problems of severe poverty in our affluent land.

It was not by accident that educators such as Leslie Dunbar of the Field Foundation concentrated on hunger. Thinking pragmatically, they saw little hope of achieving rapid gains for the poor in welfare, housing, or job training.

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But perhaps hunger was a basic enough human need and problem to arouse public support for action. As a result of the work of the reformers, the Senate Select Committee on Nutrition, and the last two administrations, the federal government has assumed a greater responsibility for feeding the poor.

In just a few years, participation in the Food Stamp program increased from less than 2 million to more than 10 million. Seven million poor children receive free or reduced price school lunches today compared with 2 million earlier. The school breakfast program has gone from a pilot program resisted by Whitten to one reaching almost 1 million children. And a summer feeding program is feeding several million children in day care and recreation centers.

The federal costs of these programs has risen from several hundred million to more than \$3 billion a year. Congress repeatedly has passed legislation liberalizing each of these programs. President Nixon has signed the bills with fanfare, pledging "to put an end to hunger in America" and to provide every poor child with a free school lunch.

Local citizen, church and welfare rights groups have insisted that their communities fully implement the improved food programs.

In short, the federal government, in a series of ad hoc decisions—mostly initiated by Congress and the reformers—has repeatedly made far larger federal commitments to meet the food needs of the poor. The federal government, in effect, moved to fill a basic human need that had been largely ignored by state and local government.

But at the very moment that the country may be on the verge of fulfilling a commitment, the Nixon administration has begun to reexamine its implications.

It is balking at completing the job of reaching several million children, who still don't have free lunches. It tried to cut 1 million persons from the food stamp program. It is now trying to eliminate 1 million children already in the free lunch program. And most ironically, it is pushing a welfare reform bill that would eliminate food stamps, and could leave 90 per cent of the welfare poor with less total aid than they receive today.

Part of the administration's reexamination of its food aid commitment is purely fiscal. The Bureau of Management and Budget has repeatedly resisted providing more funds for programs that keep outgrowing their budgets.

Part of the administration's re-thinking is philosophical. The administration believes that state and local governments are shirking from their duty to pay part of the cost of school lunches.

Finally, the administration's commitment to feeding the hungry is compromised by its political approach to welfare reform. In trying to design a welfare bill that appealed to conservatives, the administration had to save money and minimize benefits.

Thus, it has pushed through the House a welfare bill that could badly blur its commitment "to put an end to hunger in America." A family of four in Los Angeles, Calif., that now gets \$2,600 a year welfare cash and \$600 in food stamp benefits could come out with \$2,400 in welfare and no food stamps. Food once again would be the budget item, which has to give way to paying the landlord and the doctor.

So the hunger issue is yet unresolved. The country, in a surge of emotion, legislation, and political rhetoric made a large commitment to alleviate one problem of poverty. Perhaps the implications of that commitment were not thoroughly understood.

Nevertheless, Congress had repeatedly, by large bi-partisan votes, told the administration it wants to end hunger in America.

And the poor have been given good reason to believe that they now will have more to eat than empty promises.

[The Washington Post, Oct. 18, 1971]

NIXON ORDERS CLARIFYING OF SCHOOL LUNCH RULES

Responding to an appeal from 59 senators, the White House announced yesterday that President Nixon has ordered the Agriculture Department to "clarify" a controversial set of school-lunch regulations imposed earlier this fall.

"The President has long been committed to the achievement of a program which provides a school lunch to every needy child," Presidential Assistant William E. Timmons said in a letter to the senators. The letter, dated Saturday, was made public yesterday.

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The senators asked Mr. Nixon Friday to stop the Agriculture Department from setting "unlawful" guidelines they estimated would cut more than one million children from the federal school-lunch program.

Timmons said Mr. Nixon "has been aware of questions raised concerning the Department of Agriculture's implementation of his policy and has directed the department to immediately clarify its regulations."

The controversy over school lunches began in mid-August when, just three weeks before many schools were scheduled to open, the department set new limits on how much federal help states would receive for their lunch programs.

Last year the federal government paid on a sliding scale that ranged as high as 60 cents for each lunch served for or at a reduced price to needy children.

The new guidelines guarantee 35 cents for such lunches.

[The Washington Evening Star, Oct. 19, 1971]

AGRICULTURE BOWS TO CRITICS, ENDS SCHOOL LUNCH CUTBACK

The Agriculture Department's effort to cut costs in the nation's school lunch program for the needy has ended before it began.

Buckling under heavy congressional opposition, a Department spokesman announced yesterday that the new regulations, issued Oct. 6 to take effect yesterday, would be rescinded.

At almost the same time, the House took the first step toward cancelling the proposed regulations with a new law. The vote was 354-0 on a bill to set the program back on its previous footing.

The dispute began Aug. 13, when the federal agency published proposed new regulations for reimbursing states participating in the school lunch program.

TWO ACTIONS INVOLVED

Two actions were involved. First, Agriculture set a poverty-level guide as \$3,940 for a family of four, raising it from \$3,720 and calling it a ceiling rather than a floor. Thus, states that defined poverty at a higher income level, bringing children into the food program, would be held back.

Second, the department decided that cash assistance to states would be based on a total of 35 cents for each free or reduced-price lunch, instead of 42 cents.

Critics of the department's plan argued that it would deny 1.3 million children free or reduced-cost breakfasts and lunches.

In a state-by-state survey, the House Education and Labor Committee determined that more, not less, federal help is needed. Some of 8.6 million children are covered by the program this year, the committee said, an increase of a million over last spring.

\$511 MILLION NEEDED

In dollars, the need added up to \$511 million, the House panel reported. Agriculture had proposed to make \$390.1 million available.

The House bill that passed yesterday would bar the federal agency from cutting back and directs that all needy children shall be fed. The minimum rate of reimbursement would be raised to a total of 46 cents per meal. The estimated cost for this year is \$615.2 million.

Rep. Roman C. Pucinski, D-Ill., pressed for passage of the bill yesterday despite the change of mind at Agriculture, to assure that there would be no rollback in the future.

The Agriculture Department also got a push from the White House, which had been denounced by Democrats as an enemy of needy children. President Nixon ordered the agency to "clarify" its position. Within 24 hours, the proposed regulations were abandoned.

[The Washington Post, Oct. 19, 1971]

U.S. DROPS CUT IN SCHOOL LUNCH PLAN

The Nixon Administration, bowing to Congressional pressure, yesterday dropped a regulation that would have eliminated more than one million children from the free school lunch program.

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The action came after 59 senators had protested to President Nixon against the cutback and just before the House, by a 353-to-0 vote, ordered that the children not be dropped.

The Agriculture Department announced that it would continue providing federal aid for children declared eligible by the states for free or reduced-priced lunches.

Earlier, in a cost-saving effort, USDA said eligibility would be limited to children from families of four with \$3,940 or less income. The estimated saving was \$47 million. Members of Congress protested that the 1970 School Lunch Reform Act permitted states to have more generous eligibility requirements.

More than 40 states would have been forced to cut back on the number of poor children eligible.

Officials of the Children's Foundation warned yesterday that the Agriculture Department still might reduce the number of eligible children in about 30 major urban school systems. These are city schools which were permitted by states to have more generous eligibility than state standards. Virginia, for example, has permitted Arlington, Fairfax, and Falls Church schools to have more generous eligibility requirements.

Richard Lyng, assistant secretary of Agriculture, said children will not be dropped if states authorize local school districts to use easier standards.

The House-passed bill, ordering the Department not to cut children from the program, now goes to conference with a similar Senate bill. Both the Senate and House reacted against various proposed changes which would have reduced federal support of the school lunch program. But the administration apparently now has complied with the congressional orders.

[The New York Times, Oct. 19, 1971]

HOUSE ORDERS NIXON AIDES NOT TO CUT PUPIL LUNCHES

IT PASSES BILL, 353 TO 0, ONLY HOURS AFTER ADMINISTRATION ABANDONS PLAN—
MEASURE IS SENT TO SENATE

By Jack Rosenthal

WASHINGTON, Oct. 18—The House, by a 353-to-0 vote, passed legislation today ordering the Administration to abandon its plan to eliminate Federal school lunch subsidies for as many as 1.5 million needy children.

The action came only hours after the Administration, anticipating the sentiment for the House, had announced abandonment of the plan. But its new plan remains somewhat cheaper than that called for by the House.

The bill now goes to the Senate, which has already decisively voted a similar, though narrower, measure. The principal question is whether the Senate will be satisfied with the Administration's new position or order it to accept all provisions of the bill.

Today's revised Administration position came after President Nixon ordered the Department of Agriculture to clarify its subsidized lunch regulations immediately.

This order was disclosed yesterday in a White House letter to 59 Senators who had written to Mr. Nixon Friday to protest the Administration's proposed cuts.

"The President has long been committed to the achievement of a program which provides a school lunch to every needy child," the response said.

Action by the House came only 12 days after the Administration announced its second effort to restrict Federal lunch subsidies, despite their wide popularity in Congress.

The "free and reduced price" program, a component of the national school lunch program, is designed to provide at least one decent meal daily to needy children. Some 7.3 million are now served.

On Oct. 6, the Department of Agriculture announced a new, stricter definition of "needy." Congressional studies showed that this could mean the elimination of 1.5 million children, 400,000 in New York alone.

The House bill forbids the Administration to cut the number of children. It also requires sharp increases in the amount of Federal subsidy for each child.

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The prior subsidy level was an average of 35 cents a meal. The bill raises the amount to 46 cents and also directs that this be the minimum subsidy, not the average.

This is one of three principal differences between the bill and the Administration's new position, expressed in revised regulations of the Department of Agriculture. The regulations adopt the 46-cent level, but as an average, not a minimum.

Congressional observers said today that use of an average would be cheaper. Agriculture officials said that use of a minimum would be a departure and extremely difficult to administer.

Even a 46-cent average, however, would mean a jump in Federal spending for the program, from about \$390-million to \$525-million. The latter figure is "more than 100 times \$4.8-million that was available" three years ago, according to the White House.

A second possible difference is whether the Agriculture Department will go along with states that allow cities to define "needy" children at a higher income figure than the statewide figure.

The question affects 100,000 children in Philadelphia, Newark, Portland, Oreg., and 20 other cities.

Conflicting interpretations of the House bill on this point were expressed on Capitol Hill today. Also, the new regulations are unclear on the issue. Richard E. Lyng, Assistant Secretary of Agriculture, acknowledged. "They will be clarified soon," he said.

A third difference is that the regulations say nothing about the school breakfast program, while the bill would undo recent agriculture restrictions. This program now serves about a million children. Mr. Lyng said that breakfast program regulations would be issued separately.

These various issues could be resolved by Congress if the new bill is now sent to a House-Senate conference. But it is possible, Senate informants said, that the House bill may be taken directly to the Senate floor, limiting the possibility for clarifications.

The Senate bill which passed 75 to 5 on Oct. 1, directed the Administration to abandon its earlier plan to restrict the subsidized lunch program. That plan, announced Aug. 13, would have limited the amount of subsidy for each child.

The Senate bill did not refer to restrictions on the number of children covered. The Administration first proposed that plan five days after the Senate vote.

[The Wall Street Journal, Oct. 19, 1971]

ADMINISTRATION CANCELS ATTEMPTS TO PARE SCHOOL-LUNCH SYSTEM BY CURBING ELIGIBILITY

WASHINGTON—The Nixon administration, in the last of several somewhat bewildering maneuvers on school lunch funding, agreed to provide free and reduced-price meals for all children qualified by state programs.

The latest announcement, made through Richard Lyng, Assistant Agriculture Secretary, puts the administration's school lunch plans where critics said they should have been all along. It also leaves uncertain the fate of somewhat different school lunch bills passed overwhelmingly by the House and Senate to force the administration's hand.

Mr. Lyng's major concession was to offer federal support for free and reduced-price lunches eaten by youngsters from low-income families qualified under state eligibility standards but whose incomes exceeded federal poverty guideline figures.

Earlier this month, the department had said it wouldn't accept the state figures for eligibility—a move some estimated would prevent more than one million youngsters, many of them from welfare families, from participating in the program.

The previous announcement was coupled with a retreat from still-earlier department decision to hold school lunch spending to a figure lower than state and local school administrators had anticipated. In backing off from that position, the administration agreed to boost its outlays in the current year by \$135 million above the sum requested in the budget for the fiscal year that began July 1.

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The latest concession also promised a guaranteed federal contribution of six cents each to the cost of all school lunches. Previously, the guaranteed figure had been set at five cents. As announced earlier, the government's share of free and reduced-price lunches will be a minimum 40 cents, or 10 cents higher than the Agriculture Department originally proposed. The government estimates the cost of the typical school meal at about 60 cents. Payments by states, localities and school children cover the remainder of the cost.

The final retreat apparently was intended to get the administration out of increasingly hot water with Congress. The latest sign of this displeasure was the 353-0 House vote, taken after Mr. Lyng's announcement, in favor of a bill that would require full funding for the program and support of state-eligible youngsters.

A Senate bill failed to address the state eligibility question, and the difference would have to be reconciled in a House-Senate conference committee. But it isn't certain if school lunch backers in Congress will choose to carry the legislation any further.

[The New York Times, Oct. 21, 1971]

FOOD, NOT PROMISES

The White House statement that "the President has long been committed to the achievement of a program which provides a school lunch to every needy child" would be more persuasive had the Department of Agriculture not persisted in stratagems to bar needy children from the program.

A unanimous House action, joined yesterday in a voice vote by the Senate, has ordered the Administration to abandon plans to tighten school-lunch eligibility requirements. This clearly indicates that Congress has lost faith in White House pledges as long as bureaucratic manipulations continue to undercut them. The extent of the crisis of confidence was underscored when Dr. Jean Mayer, Mr. Nixon's chief adviser on hunger, recently denounced the Administration's action as "a narrow legalistic approach at the meanest possible level."

Apparently, the accountants have been allowed to deal with what is a humanitarian problem. The cost-cutting device is the establishment of a rigid national definition of poverty. Yet, Federal cost-of-living statistics are readily available to show how fallacious such a yardstick inevitably is in practice. It would, for example, cut off about 400,000 children from free lunches in New York because the definition of a poverty-level annual family income here is \$290 above the proposed national standard. Agriculture Department staff members evidently have done little comparison food shopping.

Until there is convincing evidence that what the White House claims by the Agriculture Department, Congress is justified in its extraordinary action of prohibiting Administration cutbacks. Hungry children cannot eat promises.

[The New York Times, Oct. 21, 1971]

PUPIL LUNCH BILL IS SENT TO NIXON

SENATE, LIKE HOUSE, PASSES MEASURE UNANIMOUSLY

By Jack Rosenthal

WASHINGTON, Oct. 20—The Senate passed today by unanimous voice vote legislation forbidding any cuts in federally subsidized school lunches for needy children. The measure, approved Monday by the House, 353 to 0, now goes to the President.

Particularly in view of Congressional unanimity, the President is thought sure to sign the legislation. New Department of Agriculture regulations, reflecting the Congressional mandate, would follow within a matter of days, officials said.

These would end a heated controversy that began Aug. 13 when the Agriculture Department issued regulations to limit the amount of Federal subsidy for each needy child. When that step was challenged by Congress, the department announced, on Oct. 6, a plan to limit, instead, the number of children eligible to receive subsidies

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On Monday, hours before the House vote, the Agriculture Department announced a substantial reversal. It said that it would no longer seek to limit the number of children and would increase, to 46 cents, the average subsidy for each meal.

But the measure now enacted by both houses requires that the 46-cent subsidy be a minimum, not an average. This will cost at least somewhat more. How much more, officials could not estimate today.

7.3 MILLION PUPILS AIDED

The present program of free and reduced-price lunches serves 7.3 million children. The current budget is \$390-million. The Administration has estimated that it will cost \$525-million, assuming a 46-cent average.

On the issue of eligibility, the new legislation forbids the Administration to change present standards during the current fiscal year. This means that children who are near-poor, as well as those whose families' income is less than the official poverty level, will continue to be served.

These near-poor children would have been eliminated by the earlier Administration plan. Congressional estimates put the number in jeopardy at 1.5-million, 400,000 in New York alone.

Before the Senate vote, Senator Herman E. Talmadge, Democrat of Georgia, sought to clarify an eligibility question left ambiguous in the House.

Some states permit individual cities to define needy children at a higher income figure than the statewide average. If this was eliminated, 100,000 children would be affected.

But it is his understanding, Senator Talmadge said in response to question on the floor, that the legislation prohibits elimination of this procedure during the current fiscal year.

SEPARATE GUIDELINES

The new measure also calls for the Administration to lift recently proposed restrictions on subsidies for school breakfasts, a smaller but growing program. The Agriculture Department, in its reversal statement, Monday, did not refer to this program. Officials say that separate guidelines are expected.

The new agriculture position came after President Nixon, responding to a letter of protest from 59 Senators, ordered the department to "clarify" its position.

In a statement on the floor today, Senator Talmadge took note of the change, saying that he was "pleased that the Department of Agriculture finally yielded on most issues."

"However," he continued, "the schoolchildren of the country deserve a final answer. They deserve to know whether they are going to receive free lunches during this school year."

[The Washington Post, Oct. 21, 1971]

CONGRESSIONAL REPORT: SCHOOL LUNCH BILL APPROVED

The Senate approved and sent to the White House yesterday legislation assuring fully funded school lunches for poor and needy children.

By voice vote, the Senate accepted a House-passed bill which would prevent the Nixon administration from cutting the number of eligible children or reducing the funds.

In response to congressional outcries, the administration reversed earlier edicts which would have cut the average subsidy per meal to 35 cents and eliminated, according to Capitol Hill sources, some 1.5 million children from the program.

The new regulations, which generally follow the mandate of the bill, increase the subsidy to 46 cents and restore the previous eligibility standards.

[The Washington Post, Oct. 22, 1971]

THE FREE LUNCH REVERSAL

In a burst of candor, a Department of Agriculture official concerned with food and nutrition testified recently in Senate hearings that one way to move

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his agency is by pressure. "Action by the Congress," said Richard Lyng, an assistant secretary, "would perhaps force our hand, force us to move more quickly than we might otherwise do." This appears to be exactly what happened this week concerning the free school lunch program. Two weeks ago, the Department of Agriculture issued a regulation that would have prevented more than one million children from continuing to receive free school lunches. More than 40 states would have been forced to cut back the number of poor children eligible; the department would have saved \$47 million. Quickly, the Senate and House acted. Fifty-nine senators protested directly to the President; the House, by a 353-0 vote, ordered that the children not be dropped.

This is hardly the ideal way to run a department; much less a food program—force us and we'll do it. Nor does it suggest that the administration's concern for poor children is especially high. But after the politics of it all is put aside, at least now the children will be fed. From their viewpoint—to look at it that way, for once—it matters little who came to their rescue, but only that someone in Washington did. Both Congress and the Department of Agriculture can take praise for the new policy.

It remains unclear at this moment whether the department will permit states to authorize their local subdivisions to have more generous eligibility guidelines. In Virginia, for example, the state uses the \$3,940 guideline but, has allowed Arlington, Fairfax and Falls Church to provide free lunches to children in families of four with less than \$4,940 income and reduced-price lunches to families of four with less than \$5,350 income. Now that the broad stroke of reform has been made, it is hoped these smaller—but no less crucial—concerns will be attended to by Agriculture officials.

Considering the knot in which the food lunch program is tied—Congress pulls this way and Agriculture the other, with the helpless children caught between—the time is right to begin thinking about a universal free school lunch program for all American children. Senator Humphrey and Representative Perkins have introduced legislation. The idea has merit for several reasons: first, adequate nutrition is as much a part of education as adequate books and, second, if all children were to receive free lunches, the Agriculture Department would not have to solicit pressure upon itself before it can swing into action. That in itself would be a considerable gain.

[The Washington Post, Nov. 7, 1971]

EXCERPT FROM ARTICLE BY CARROLL KILPATRICK

Washington Post Staff Writer

On Saturday afternoon, the President signed House Joint Resolution 923 amending the School Lunch Act to define minimum reimbursement rates and eligibility standards the Agriculture Department must establish to assure that needy school children receive a free or reduced price lunch.

The act in effect prevents the Secretary of Agriculture from reducing the program and directs him to reimburse schools at a minimum rate of 40 cents a lunch or at cost if lower.

[Associated Press Dispatch, Nov. 8, 1971]

SCHOOL LUNCH BUDGET

By Austin Scott, Associated Press Writer

Washington (AP)—Although they fought hard for it, supporters of the 25-year-old federal school lunch program have mixed emotions about the congressional resolution that keeps the program from being cut back this year.

"It's a major victory in the short run," Gerald Cassidy, counsel for the Senate Select Committee on Nutrition and Human Needs, said of the resolution signed Saturday by President Nixon.

"We prevented the administration from doing . . . every restrictive thing they planned to do," he said, "but the question remains as to what they will attempt to do through legislation next year to limit the program."

Barbara Bode, vice president of The Children's Foundation, a private group that monitors government food programs, wasn't even optimistic about the short-term effects.

"I see this as a step backwards," she said. "The resolution is more restrictive than the law it was supposed to reinforce. It's a classic example of too little and too late, and it cuts the program's flexibility."

For example, she said, the resolution prevents school districts from raising their income eligibility guidelines if the cost of living rises.

In addition, her foundation claims that the program has already been hurt because a number of school districts, uncertain about the lunch program's final form, cut back their own spending.

The resolution, passed unanimously by the House and the Senate in the third week of October, was Congress' reaction to a three-month campaign by the Agriculture Department to cut back the program.

Assistant Secretary of Agriculture Richard Lyng said he was looking for a way to make states and school districts pay a larger share of the program, which now costs the government \$1.2 billion a year.

Just before schools opened in September, the department announced it would reduce the amount of money it paid for every lunch that schools served free, or at a reduced price, to needy children.

When that provoked protests from Congress and state authorities the department partially rescinded its cutback.

Instead, the department would limit its payments to free or cut-price lunches given to children whose families earned less than \$3,940 a year, the federal government's poverty line for a family of four.

Because many school districts were getting federal money for meals served under their own, much higher poverty guidelines—up to \$9,500 in San Francisco—another wave of protest broke, culminating in the joint resolution.

In effect, the resolution ordered the Agriculture Department to carry on the program at its Oct. 1 level.

Miss Bode is fond of pointing out that two years ago Dr. Jean Mayer, a Harvard nutrition expert then adviser to President Nixon on the problem of hunger, pledged that regardless of the cost, all the nation's needy schoolchildren would get free or cut-price lunches by Thanksgiving 1970.

Today, almost a year after that target date, the American School Food Service Association estimates there are still 5 million needy schoolchildren not reached by the program.

"At the moment the pro-lunch forces seem to have won a near total victory, but in this business, victory sometimes seems to be as elusive as a bead of mercury," said Sen. Philip Hart, D-Mich.

"The administration is clearly very economy-minded and it put a high premium on keeping the budget down, while the majority of the Senate put a very high premium on continuing to expand the nation's school feeding program," he said.

"Naturally when you have a difference of philosophy like this you're going to have one side writing language to implement their philosophy and the other side searching that language word for word to find ways to accomplish their ends."

Rodney Leonard, a former Agriculture Department official now heading the Community Nutrition Institute in Washington, said debate over the program brought out several new issues.

Congress realized, he said, that the present law "allows the executive branch almost a carte blanche authority to rewrite policy in the guise of implementing congressional mandates."

"What Congress is doing is turning over the primary policy implementation to the states," Leonard said, "trying to build several kinds of restrictions to prevent the Agriculture Department from trying to impose standards on the states."

Lyng said his department is working on a new school lunch law. Asked whether it would be presented to Congress by the end of the current school year in June he said:

"I would hope well before that. But we may not ever get around to it. A lot will depend on whether we can reach some sort of consensus."

Sen. George McGovern, (D-S.D.), who chairs the Senate nutrition committee, also is working on a new law, much broader in scope than the present one. Cassidy predicted it would leave no options to the department but to provide school lunches for all needy children.

"I believe that next year there will be an opposite attempt to restrict the program to the neediest of the needy," he said, "and that fight, I think, will be a major one."

Appendix 5
SUPPLEMENTAL INFORMATION TO THE HEARING

Passage of Senate Joint Resolution 157

[From the Congressional Record, Oct. 1, 1971]

FREE LUNCHES—REDUCED PRICE LUNCHES FOR NEEDY CHILDREN

The ACTING PRESIDENT pro tempore. The period for the transaction of routine morning business has expired. In accordance with the previous unanimous-consent agreement, following the conclusion of routine morning business the unfinished business is temporarily laid aside, and the Senate will proceed to the consideration of Senate Joint Resolution 157, the school lunch measure, which the clerk will state.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 157) to assure that every schoolchild will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the names of the distinguished Senator from South Dakota (Mr. McGovern) the distinguished Senator from California (Mr. Cranston) and the distinguished Senator from Indiana (Mr. Bayh) be added as cosponsors of Senate Joint Resolution 157.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the amendment of the Committee on Agriculture and Forestry be agreed to and that the text of the joint resolution as so amended be considered as original text for the purpose of further amendment.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The committee amendment, as agreed to, is as follows: on page 3, insert the following new sections:

SEC. 2. Funds made available by this joint resolution shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced price lunches, and such funds shall be apportioned and paid as expeditiously as may be practicable.

SEC. 3. The Secretary of Agriculture shall immediately upon enactment of this resolution determine and report to Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs authorized by sections 4 and 5 of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, at levels which will permit expansion of the school breakfast and school lunch programs to all schools desiring such programs as rapidly as practicable.

SEC. 4. Section 11(e) of the National School Lunch Act is amended by adding at the end thereof the following: "Such maximum per meal amount shall in no event be less than 40 cents; and the Secretary shall establish a higher maximum per meal amount for especially needy schools based on such schools' needs for assistance in providing free and reduced price lunches for all needy children."

Mr. TALMADGE. Mr. President, Senate Joint Resolution 157 will assure that every needy schoolchild will receive a free or reduced-price lunch as required by section 9 of the National School Lunch Act.

This resolution is an emergency resolution, because there is an emergency situation in school districts all over the country. This emergency was precipitated by regulations proposed by the U.S. Department of Agriculture on August 13, 2 weeks before many schools opened their doors.

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The rate of reimbursement which is provided by these regulations will not enable many school districts to finance a school lunch program which provides a free or reduced-price lunch to every needy child in the school. The schools are already in operation, but their school lunch program is in a state of chaos. Irreparable damage has already been done because some school districts have been forced to cut back or eliminate their free lunch program.

Mr. President, this is tragic.

It is tragic because last year Congress passed a law which required that every needy schoolchild in the Nation receive a free or reduced-price lunch. This law made it unmistakably clear that if a schoolchild cannot afford to pay anything for lunch, he is to receive that lunch free.

It is tragic because when President Nixon signed this bill into law, Public Law 91-248, he promised to put an end to hunger among American schoolchildren.

It is small wonder that there is a credibility gap in America when the Federal Government makes a commitment and passes a law which requires that every needy schoolchild be fed and then refuses to make the money available to carry out this commitment.

Although irreparable damage has been done to the school lunch program, although many school administrators have lost confidence in the program, and although many schoolchildren are not receiving the lunches they are entitled to under the law, Congress can undo much of the damage that has been done by taking prompt action on this emergency resolution.

I was the original Senate sponsor of the bill which became Public Law 91-248, the law which mandates the feeding of every needy schoolchild in America. When this law was enacted, I did not regard it as just an empty promise.

I do not intend to stand by and see the law ignored or subverted by administrative regulations and inaction. Therefore, I introduced on September 20 Senate Joint Resolution 157. Subsequently, after conferring with school lunch leaders, I agreed to offer three amendments to this resolution. The Committee on Agriculture and Forestry agreed on September 29 to report Senate Joint Resolution 157 with the amendments that I offered in the committee session.

This amended resolution would:

First, direct the Secretary of Agriculture to use section 32 funds to the extent necessary to assure every needy child the free or reduced-price lunches that he is entitled to under section 9 of the National School Lunch Act.

Second, require the Secretary to determine and report to Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs at levels which will permit expansion of the school breakfast and lunch programs to all schools desiring such programs as rapidly as practicable.

Third, provide that the maximum per-lunch limitation contained in section 11(e) of the National School Lunch Act on the amounts of funds that States may reimburse schools for special assistance under section 11 shall not be fixed by the Secretary at less than 40 cents.

The first two provisions I described would be applicable only to the current fiscal year which ends on June 30, 1972. The use of section 32 funds would be authorized only until a supplemental appropriation could be enacted, and the supplemental appropriation would reimburse the section 32 funds for the amount spent for school lunches under the authority of this resolution.

The third provision which I described, the provision fixing the maximum per-lunch limitation at not less than 40 cents, would be permanent legislation.

Mr. President, I became aware of the current crisis in the school lunch program during the congressional recess in August. I spent the recess period making speeches and visiting constituents in Georgia. In the week before Congress ended its recess, I began to get frantic calls and letters from school lunch administrators over the State concerning the school lunch regulations which had been published by the Department of Agriculture on August 13.

These school lunch administrators were frantic because they had planned their school lunch program for the coming school year on the assumption that they would receive the same rate of reimbursement for free and reduced-price lunches that they had received at the end of the last school year.

During the last few months of the past school year, schools in Georgia had received over 42 cents per meal to reimburse the cost of preparing and serving free and reduced-price lunches. Now, as they were opening the doors of their schools for the new school year, they were told that they would receive only 35 cents to reimburse the cost of free and reduced-price lunches.

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This, of course, placed the school districts in an impossible situation. There are only two sources that local school officials could turn to in order to make up the funding deficit. They could either increase the price of lunches for those children who are able to pay for lunches, or they could attempt to raise additional local tax revenue.

As a practical matter, both solutions were foreclosed to the school districts. The President's wage-price freeze prevented school districts from increasing the cost of lunch for the paying pupils. And everyone knows that it is impossible to raise additional local tax revenue on such short notice.

I received a great deal of mail from all over the country pleading for assistance in getting the proposed USDA regulations changed. School lunch officials in Pennsylvania stated that their cost of preparing a school lunch is more than 60 cents and the proposed USDA regulations would leave the schools with a deficit of 25 cents per meal.

Realizing that immediate action must be taken to alleviate the crisis in the school lunch program, I wrote to President Nixon on September 2 to express my strong objections to the proposed USDA regulations and to request that these regulations be changed. In this letter, I stated:

Public Law 91-248 was the product of a bipartisan effort to provide nutrition for the needy school children of this country. Since the regulations promulgated on August 13 are clearly contrary to the intent of Public Law 91-248, and since these regulations will clearly make it impossible to provide meals to all the needy school children in the Nation, I hope that you will have your Department of Agriculture reconsider and issue regulations that will conform with the dictates of the law.

Unfortunately, I received only an acknowledgement of this letter from a White House aide; I received a further reply from an aide again today, I never received any indication from the President or from the Secretary of Agriculture that my request was being taken seriously.

In view of the mounting fiscal crisis in the school lunch program around the country and the administration's refusal to take action, I called hearings in the Committee on Agriculture and Forestry, of which I am chairman, on September 16. In these hearings, the committee heard testimony from those people who are directly affected by the school lunch program, the State and local officials who are charged with the administration of this program.

The committee heard from a small town school superintendent, Mr. B. P. Taylor, of San Diego, Tex. Mr. Taylor testified that the new USDA regulations would adversely affect his program and that he would be required to cut back on academic programs in order to carry on his child nutrition program.

The committee also heard from two big city school officials, Mr. Howard Briggs of the Detroit, Mich., public schools, and Dr. Eugene Sampter of the Buffalo, N.Y., public school system. Both officials indicated that USDA regulations would be extremely detrimental to the school lunch program in their districts. Dr. Sampter indicated that Buffalo will be forced to suspend the feeding of needy children in the city some time during the coming winter if the rate of Federal reimbursement is not increased.

The committee heard from a witness who is charged with administering a State program, Miss Josephine Martin, administrator of the school food service program in Georgia. I have great faith in Miss Martin, for not only is she the able administrator of Georgia's program, but also, she is recognized as one of the leading authorities in the Nation on the school lunch program.

Miss Martin testified that at the end of the last school year, Georgia schools were receiving a rate of reimbursement for free and reduced-price meals of 42 cents. Under the new regulations, these Georgia schools will get less than 36 cents per meal.

Miss Martin also gave us an idea of the impact of these regulations on other States and school districts around the country. She presented a survey conducted by the American School Food Service Association which indicates that the national deficit in school lunch funds would be between \$150 and \$180 million.

Mr. President, I ask unanimous consent that this survey be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD as follows:*

*See p. 1787, previously printed in this hearing, and Congressional Record of 1 October, 1971, pp. S 15639-40.

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Mr. TALMADGE. Mr. President, the committee heard the testimony of Assistant Secretary of Agriculture Richard E. Lyng, who presented the case for the Department of Agriculture. Mr. Lyng presented a carefully worded statement attempting to show that the USDA regulations were the most equitable method of distributing available funds. However, under cross-examination the Assistant Secretary admitted that many States would be receiving less money than they did during the past school year.

Members of the committee attempted to determine whether the appropriation of the Congress was adequate to carry out the school lunch program. Despite the fact that the administration had requested no more funds for the school lunch program than had been appropriated for the previous fiscal year, the Congress had appropriated \$33.8 million above the budget request to bring the total school lunch appropriation up to \$615.2 million.

Committee members were somewhat dismayed to learn that the present appropriation was not sufficient to provide an adequate rate of reimbursement for school lunches even though the Congress had been told repeatedly by the administration that we have sufficient funds for an adequate school lunch program.

Under questioning from the Senator from Alabama (Mr. Allen), Assistant Secretary Lyng refused to state whether the administration would spend additional funds even if these funds were provided.

The pending resolution is designed to provide additional funds and require the Secretary of Agriculture to spend these funds to provide an adequate rate of reimbursement.

Mr. President, I would have preferred to have followed regular procedure in regard to the school lunch program. Unfortunately, regular procedure has failed in this case. Regular procedure has failed because the Congress has been unable to get reliable information about the amount of money that is required to carry out the law.

The Congress acted in good faith, thinking that it had appropriated sufficient money to provide a free or reduced price lunch to every needy school child in the country. Now we are told by the USDA that there is insufficient money to provide a rate of reimbursement above 35 cents per meal.

Although this emergency resolution is not the normal way of dealing with funding problems, there is sufficient precedent for this procedure. On June 17 of this year, the Senate Committee on Agriculture and Forestry, by a unanimous vote, reported to the Senate H.R. 5257. This legislation, which passed the Senate on June 18, 1971, authorized the Secretary of Agriculture to use section 32 funds for the remainder of fiscal year 1971 and for fiscal year 1972 to pay any amount necessary to carry out the provisions of the National School Lunch Act.

This bill was approved by the Senate by a unanimous vote.

After differences between the House and the Senate versions of H.R. 5257 were ironed out in conference, the conference report was agreed to by both the House and Senate and the bill was enacted into law, Public Law 92-32, on June 30, 1971.

I believe that it is important to emphasize that in every step toward enactment, Public Law 92-32 was passed without objection in the Senate. The relevant provision of this law is as follows:

SEC. 15. (a) In addition to funds appropriated or otherwise available, the Secretary is authorized to use, during the fiscal year ending June 30, 1971, not to exceed \$35,000,000 in funds from Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to carry out the provisions of this Act, and during the fiscal year ending June 30, 1972, not to exceed \$100,000,000 in funds from such section 32 to carry out the provisions of this Act relating to the service of free and reduced price meals to needy children in schools and service institutions.

Public Law 92-32 was rushed to enactment because of a funding crisis which then existed in regard to the summer feeding program of the U.S. Department of Agriculture. Congress must act promptly now because an even greater crisis exists in our school lunch program.

I believe it is important to emphasize that section 32 funds will be used only until such time as Congress can act on a supplemental appropriation bill. Should we wait until action on the supplemental appropriation, schools around the country will be well into their school year and even more schools will have been forced to cut back on their child feeding programs.

I am hopeful that Senate Joint Resolution 157, which directs the Secretary to use section 32 funds to the extent necessary to assure that every needy child gets a free or reduced price lunch, will force an immediate revision of the disastrous regulations which have been promulgated.

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The committee has heard a great deal of testimony about the amount of money that is needed to pay for the cost of a school lunch. Some authorities peg the national average cost of preparing and serving a school lunch at 52.6 cents per meal. USDA officials themselves indicated in the committee hearing on September 16 that this average cost was around 60 cents.

Of course, it is impossible for legislators to determine precisely the reimbursement that is needed. I am aware that the cost of preparing a school meal varies greatly between States and within a State. However, it is clear that 35 cents is not an adequate rate of reimbursement in any State.

The language of Senate Joint Resolution 157 expresses the feeling of the committee that a rate of reimbursement of 45 cents is preferable to the Department of Agriculture's 35-cent rate. The resolution would amend section 11(e) of the National School Lunch Act to provide that the maximum per lunch limitation on the amount of funds that States may reimburse their schools for special assistance shall not be fixed by the Secretary at less than 40 cents. When the section 4 reimbursement of 5 cents per meal is added, the schools would have a total of 45 cents.

Senate Joint Resolution 157 also contains language which makes it clear that the funds made available by the resolution will be apportioned to the States in a manner that will enable these schools to best meet their obligations with respect to the service of free and reduced price lunches.

The resolution also requires that these funds be apportioned and paid as expeditiously as possible. A number of school lunch officials have indicated that the proposed regulations of the USDA would delay Federal reimbursement to the States, thus causing even greater fiscal problems for State governments and local school districts. While the committee did not attempt to establish the procedure whereby the USDA shall make reimbursement, I hope that this language will be sufficient to insure that school lunch reimbursements are made as expeditiously as practicable.

There is some confusion about the amount of money that is needed to enable States to purchase the equipment that is necessary to comply with the law which requires that every schoolchild receive a free and reduced price lunch. There is also some controversy over the amount of funding that is needed to permit extension of the school breakfast program to those schools desiring such a program. Therefore, section 3 of Senate Joint Resolution 157 requires that the Secretary of Agriculture shall immediately determine and report to the Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs at levels which will permit expansion of the school breakfast and school lunch programs to all schools desiring such programs as rapidly as practicable.

Mr. President, the basic issue at stake on the question of passing Senate Joint Resolution 157 is whether Congress intends to honor its commitment to provide a free or reduced price lunch to every schoolchild in America. The pending resolution serves notice that the Senate intends to honor its commitment. With every day's delay, additional irreparable harm is done to the school lunch program of this country. Additional children are forced to go to school without a decent meal.

I hope that the Senate will approve this legislation.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. I yield 10 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. YOUNG. Mr. President, it is with great reluctance that I oppose and will vote against the pending joint resolution.

The joint resolution reported by the Committee on Agriculture and Forestry sets up new and more liberal standards for Federal assistance to the school lunch program. I am not opposed to this part of it. As a member of the Senate Committee on Agriculture and Forestry and for more than 20 years a member of the Senate Subcommittee on Agriculture Appropriations which has always handled the funding of the school lunch program, I have supported both a more liberal program and more liberal funding year after year.

Mr. President, I have no opposition to that portion of the pending resolution which would liberalize the school lunch program. What I am opposed to, and very strongly, is that this resolution is actually appropriating additional funds for the school lunch program which is beyond and outside of the jurisdiction of the Senate Agriculture Committee. The Subcommittee on Agriculture Appropriations holds extensive hearings each year on the school lunch program and it is much more knowledgeable on the needs of this program than is the Senate Agriculture Committee.

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Mr. President, if all the legislative committees got into the business of appropriating funds, much of our checks and balances would be lost. The legislative committees authorize programs such as the school lunch program, but it is indeed rare when a legislative committee tries to appropriate funds for any program.

To follow this procedure would not only weaken our system of checks and balances between the authorizing and appropriating committees, but it would lessen by far the careful consideration and scrutiny that Federal expenditures now receive by both Houses of Congress.

If the Senate followed this procedure, then the Senate Armed Services Committee could appropriate, as well as authorize, all of the funds for the Department of Defense. The same would be true of the Public Works Legislative Committee. If they were permitted to follow this procedure, they could not only authorize all public works projects, but also fund them at the same time.

Mr. President, this joint resolution makes available an undetermined amount of money from section 32 funds for the school lunch program. No one seems to know how much this joint resolution will increase the costs of the school lunch program. There is no specific amount in the joint resolution itself. Guesses range from \$100 to \$300 million. If this increased funding for the school lunch program were handled by the Appropriations Committee, as it should be, that committee would find out how much was needed for the liberalized school lunch program and a specific amount would be appropriated.

Presently, appropriations for the Department of Agriculture for food assistance programs of all kinds for fiscal year 1972 are \$3,815,784,000. If this resolution is approved, it would push food aid costs chargeable to the Department of Agriculture to over \$4 billion.

Mr. President, Congress has been very liberal with food assistance to people. Practically \$4 billion is charged to the Agriculture budget and, unfortunately, most people think this is a subsidy for farmers. These appropriations for family assistance have risen from \$908,910,000 only 5 years ago, in the fiscal year 1968, to \$3,815,784,000 this year. I ask unanimous consent to have this table printed in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Appropriations for USDA food assistance programs, fiscal years 1968-72

Fiscal year:	
1972	\$3,815,784,000
1971	2,876,968,000
1970	1,621,912,000
1969	1,201,332,000
1968	908,910,000

Mr. YOUNG. Mr. President, these are meritorious expenditures, but when they reach this magnitude, I think it behooves Members of Congress to give careful consideration to the procedures under which these funds are increased and further information should be had concerning the extent of the increase. Undoubtedly, additional funds are justified for the school lunch program, but I cannot understand the great rush to follow this unusual procedure of making additional funds available without any facts or information as to how much it will cost.

The House and Senate Appropriations Committees are now considering a supplemental appropriations bill to which additional funds for the school lunch program could appropriately be made a part. I would be very happy to support the additional funds necessary if it were handled through regular appropriations procedures and rules of the Senate. The appropriations bill for these funds might well pass the Congress long before this joint resolution. There is serious doubt whether the House will even consider this resolution, but they would consider an amendment to the appropriations bill.

The agriculture appropriations bill which passed Congress only about 2½ months ago contained \$782.3 million for the school lunch program. This includes the breakfast program, administrative costs and the section 6 appropriation for commodity purchases. The previous year, fiscal year 1971, the appropriation was \$696.9 million.

Only about 2 months ago we appropriated about \$85 million more than we did a year ago for the school lunch program. Certainly these funds have not all been spent, particularly since the school year just began.

To give some idea of how liberal Congress has been with this program, I ask unanimous consent to have printed in the Record a table prepared by the Budget and Planning Division of the Food and Nutrition Service giving the appropriations for the past 5 years.

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There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

School lunch program funding: Fiscal years 1968-72—Appropriations for school lunch, school breakfast, administrative costs, nonfood assistance, and nonschool food program
[In millions]

Fiscal year:	
1972	\$782.3
1971	696.9
1970	415.7
1969	296.8
1968	227.8

SOURCE.—Budget and Planning Division, Food and Nutrition Service, USDA, Sept. 30, 1971.

Mr. YOUNG. Mr. President, it should be noted from this table that the total appropriation for fiscal year 1968 was only \$227.8 million as against \$782.3 million this year. This certainly indicates Congress has not been niggardly with this program.

When the donated food commodities provided through the Department of Agriculture are included, the total available contribution from the Federal Government to the school lunch program for this fiscal year is \$1,051,300,000.

I ask unanimous consent that this table be printed in the record giving the figures for the past 5 years.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Total program level, child nutrition programs, fiscal years 1968-72—Appropriated funds and value of donated commodities
[In millions]

Fiscal year:	
1972	\$1,051.3
1971	865.2
1970	616.8
1969	504.7
1968	448.3

Mr. YOUNG. Mr. President, I wish to point out again that if this joint resolution only contained the liberalized provisions of the school lunch program and left to the Appropriations Committee the funding of the program, I would be supporting it. It is with great reluctance that I find it necessary to vote against it in order to preserve sound fiscal practices. It would be far better if we were trying to improve on the manner in which we dish out hundreds of billions of dollars, rather than to relax our procedures.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, I yield 10 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I yield to no man in the Senate in my efforts, past and present, in supporting the feeding of schoolchildren.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TALMADGE. Mr. President, at this point I concur wholeheartedly in support of what the senior Senator from Louisiana has said. He was one of the original authors of the school lunch program, and he has supported it throughout the years.

Mr. ELLENDER. Mr. President, I thank the distinguished senior Senator from Georgia. I wish I could find myself in agreement with him in this instance, but I believe the precedents he is following to be bad ones. The Senator from Nebraska (Mr. Hruska) will cite the precedents which I believe to be controlling in this case.

This year is the 25th anniversary of the national school lunch program. It was 1946, World War II had just ended, and we were turning to the new priorities of peace. High on the list was the national school lunch program. I remember well because I was a sponsor of that legislation.

Passage of the National School Lunch Act on June 4, 1946, provided basic legislation authorizing Federal school lunch assistance in the form of a State grant-in-aid program. Since the midthirties, the Department of Agriculture had been providing commodities to States for use in school feeding programs and in fiscal 1944 and 1945, \$50 million in cash was made available from section 32 funds. In 1946, this assistance was given a statutory basis which has continued to this day.

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The program which we established in 1946 was a cooperative program. Federal, State, and local governments joined in providing balanced, nutritious lunches.

During the past 25 years, I have watched the school lunch program grow, and I can say with some pride that as a member and later chairman of the Agriculture and Forestry Committee, I have helped it grow.

During 1971, 24.1 million children were being reached by the school lunch program and 7.3 million needy children were receiving free and reduced price lunches at the end of the school year.

In 1971 for the first time, Federal support for child feeding programs reached almost a billion dollars. The total was \$981 million up \$260 million from the year before.

Our greatest efforts in recent years have been directed to being sure that needy children receive the free and reduced price lunches to which they are entitled. Special assistance funds for this have increased yearly eightyfold in the last 4 years, from \$4.9 million in 1968 to \$390 million appropriated for 1972. But, with all of these additional funds, the program, even for the needy children, has continued to function on a cooperative basis. Under the amendments to the School Lunch Act which were passed last year, each State educational agency must inform the Secretary of Agriculture of the manner in which it proposes to use the funds provided under this act.

During the past year, the portion of the total lunch program cost which is borne by the Federal Government has increased substantially. In 1968, the Federal share of total expense was 23.2 percent. State and local governments contributed 23.6 percent and children's payments provided 53.2 percent of total program cost. By 1970, the Federal share was up slightly to 25.6 percent, the State and local share rose to 24.6 percent, and children's payments were 49.8 percent. Then last year, there was a 1 year jump in the level of Federal support to 32.7 percent of program cost. The State and local share dropped slightly to 23.1 percent and children's payments were down to 44.2 percent.

The changes contained in Senate Joint Resolution 157 minimize the cooperative concept which has long been at the base of the school lunch program.

Local government is often more sensitive and effective in managing funds which come at least in part from local sources.

The resolution before us was precipitated by reactions to new school lunch regulations proposed by the Department of Agriculture. Those regulations have been greatly criticized. We should recognize, however, that those regulations do things which each of us will approve.

The Department of Agriculture's proposed regulations will distribute approximately \$78 million more in special assistance for free and reduced price lunches than was spent for these lunches last year. These are moneys available because of action by the Congress.

Under the proposed regulations, funds will be distributed to States in better relation to program growth and size. This will avoid the midyear funding uncertainties of last year when fund shortage in some States were threatening the continuation of programs while other States had millions of dollars in excess funds.

For the first time in the history of the program, a State needing to expand its program to substantially more schools and substantially more children can do so within its available funds, without the fear that such expansion will be at the expense of an unwarranted reduction in levels of assistance to already participating schools and children.

The Department's proposed regulations are designed to place a floor under school lunch funding so that States and localities can count on a predictable level of program support. In the past, some States have had reimbursement rates far above the national average while other States with large and expanding participation have had rates which are far lower.

The resolution which is before us today will provide a more generous level of Federal support for free and reduced price school lunches. But, it violates the regular procedure.

Therefore, I urge you to join me in opposing the passage of Senate Joint Resolution 157. If additional funds are needed for this program this year, the Appropriations Committee will do all within its power to see that such funds are made available.

The point I wish to emphasize is simply this. In the past the appropriations for this program have been handled by the Committee on Appropriations. But here is an effort made to permit the Committee on Agriculture and

Forestry to direct how much money shall be spent from the so-called 32 funds in order to carry out this work. I believe that the establishment of this precedent is wrong, although there was evidence to show that in one or two cases the Committee on Agriculture and Forestry in the early days did suggest that funds be taken from the 32 funds in order to supplement appropriations made by Congress.

The distinguished Senator from North Dakota stated a moment ago that 2 days ago the President sent us a supplemental bill. This supplemental bill amounts to about \$1.25 billion, although there is nothing mentioned in that bill pertaining to the school lunch program, as I understand it. It is my intention that when the supplemental bill comes from the House we will hold hearings on this specific point. I have already notified the Senator from Wyoming (Mr. McGee) to bring before his subcommittee people from the Department of Agriculture who will testify as to what is needed in order to carry out what the President stated earlier this year. That is, to provide sufficient funds so that every needy child in school will have the opportunity to have a free or reduced price lunch and an adequate diet.

Mr. President, I do not like this backdoor funding. Of course, that is what this amounts to. We are taking from a special fund, the section 32 fund, moneys—cash—in order to carry on this program. I admit it has been done in the past. The Department of Agriculture has submitted figures to us indicating that the sums raised through section 32 of the Agricultural Adjustment Act could be used in order to carry out the program. That has been done but section 32 was enacted by Congress for a purpose different than that for which it is now being used. It was placed on the statute books in order to assist in the administration of some commodity programs wherein we do not have price supports.

Section 32 funds are used mostly for the purchase of commodities for distribution to needy persons and for distribution through the school lunch and other feeding programs.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. The Senator pointed out the precedent for an act of this kind which occurred last June, but it is my recollection that that bill was passed by the unanimous vote of the Senate.

Mr. ELLENDER. Yes.

Mr. AIKEN. The Senate can take most any action by unanimous consent, but on the other hand, the rules of the Senate state that the Committee on Appropriations cannot be bypassed.

If a person breaks the law once and gets away with it, does that give him a license to violate that same law forever afterward without running the risk of being called to account for it?

Mr. ELLENDER. Of course, it does not.

Mr. AIKEN. We violated the rules once by unanimous consent, and we can do almost anything by unanimous consent in the Senate, but that does not give us authority to continue with the violations.

Mr. ELLENDER. I agree with the Senator.

When we did that, we established a bad precedent. The Senator knows that I have always supported the school lunch program, but I also believe that the committee of the Senate which has charge of this, the Committee on Appropriations, should provide the necessary funds. That is all I am pleading for. I am as much for this program as the distinguished Senator from Georgia or any other Senator in this body. But let us provide the funds necessary through the proper channels, and the proper channels would be the Committee on Appropriations.

As I said, the Committee on Appropriations is going to take up the matter in a few weeks. There is now ample money on hand to proceed with the operation until well beyond that time. The purpose of the USDA regulations is more or less to equalize the money at hand so that some States would not have excess funds, as has been the case in the past, while others have an insufficient amount.

Last year the department had to take States that could not spend them, and transfer that money to States that needed it.

The purpose of the rules and regulation placed into effect by the Department of Agriculture is also to divide the money more equitably. I state to the Senate that whatever is necessary should be provided by the Committee on Appropriations. Let us proceed in an orderly manner, as it should be done. Let us not take more from the section 32 funds than may be necessary.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. YOUNG. I yield an additional 5 minutes to the Senator.

Mr. ELLENDER. If we permit all the moneys necessary to operate the lunch program be taken from section 32 receipts as is provided in this resolution, then it may be that some other programs may suffer. I would much prefer that we continue to use the appropriations process.

I want to assure the Senate that hearings will be held, probably beginning next week, even before the bill reaches the Senate. If the distinguished Senator from Georgia will obtain from the Department of Agriculture an estimate of the amounts necessary in order to carry out the program as he wishes, I can give him assurance that the committee will consider these figures.

It is our intention to call on the Department to make its case before us. And believe me, they will be questioned closely.

And last, I want to assure the Senate that I will do all in my power to see that such additional funds as are necessary will be provided by that committee.

I have always had a deep and abiding interest in the success of the school lunch program. I have always had a deep and abiding interest in seeing that all needy children receive free or reduced price lunches. I still do.

I ask unanimous consent that a brief history of the national school lunch program be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Assistant Secretary of Agriculture Richard Lyng.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ASSISTANT SECRETARY RICHARD LYNG BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, SEPTEMBER 16, 1971

We are pleased to meet with the Committee this morning to discuss the amendments to the school lunch regulations we issued for public comment on August 13.

Those proposed amendments deal with the program's funding structure for 1972—specifically, with the method to be used to distribute the special section 32 funds to States. They represent our judgment as to the most effective and equitable way to distribute the school lunch funds made available in the Department's appropriation act for fiscal 1972.

Last year—the initial year of operation under Public Law 91-248—resulted in substantial program progress. In September of 1970, a total of 22.1 million children were being reached with a school lunch. Four million of these children were being reached with a free or reduced-price lunch. By April 1971, 24.1 million children were being reached—up 9 percent over September. A total of 7.3 million children were being reached with a free or reduced-price lunch—up 82 percent over September.

The total number of school lunches served last year increased by 7.7 percent—from just over 3.5 billion in fiscal 1970 to just over 3.8 billion in 1972. But, there were substantial differences in growth rates among the States. In eight of the State agencies, the rate of increase was more than double the national rate. The growth rate was less than 5 percent in 23 States.

The number of free and reduced-price lunches served increased 35.6 percent last year—from 852 million in fiscal 1970 to one billion in fiscal 1971. Again, the growth rate varied among the States. In 10 of the State agencies, the growth rate was more than double the national average. In contrast, 14 State agencies had a growth rate of less than 25 percent.

Last year's progress represented the combined work of local, State, and Federal governmental units, thousands of dedicated school officials, and concerned citizens—backed by the traditional combination of Federal, State, and local financial support.

There has been a sharp increase in Federal funding for cash assistance payments to schools. Between 1970 and 1971, direct appropriations under sections 4 and 11 of the Act more than doubled. In addition, in 1971, these direct appropriations were augmented by over \$150 million in special section 32 funds—most of which was intended for free and reduced-price lunches. In three years, the amounts made available under section 4, section 11, and in special section 32 funds increased from \$204 million in fiscal 1969 to just over \$300 million in fiscal 1970, and to over double that amount in fiscal 1971.

States have raised a question as to whether past progress in the program can be maintained in 1972—much less additional progress obtained—under the funds requested and appropriated for 1972 and the funding structure outlined in the proposed regulations the Department issued on August 13. We believe that significant additional progress is possible.

First, there is an increase in the amount of Federal funds available to provide special assistance for free and reduced-price lunches in 1972—about \$78.8 million more than was spent in 1971.

Second, available funds will be distributed to States in better relationship to program growth in the various States. Thus, we can avoid the mid-year funding uncertainties of last year. At that time, fund shortages in some States were threatening the continuation of their programs while other States had millions of dollars in excess funds.

Third, for the first time in the history of the program—a State needing to expand its program to substantially more schools and substantially more children can do so with-

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in its available funds, without fear that such expansion will be at the expense of an unwarranted reduction in levels of assistance to already participating schools and children. It is clear, Mr. Chairman, that some States do not understand the method we are proposing to use to distribute the available funds in 1972. We hope to clear up that misunderstanding in the course of this hearing.

THE BASIC FUNDING STRUCTURE

The National School Lunch Act authorizes two annual appropriations for the program—one under section 4 of the Act and one under section 11. The Act also specifies exactly how each of these annual appropriations is to be apportioned among the States.

Section 4 funds are apportioned among the States on the basis of the number of Type A lunches previously served by each State and the relationship between each State's per capita income and the per capita income of the United States. For fiscal 1972, the apportionment formula uses the number of Type A lunches served by each State two years ago—in fiscal 1970. Section 11 funds are apportioned on the basis of the relative number of school-age children in households with annual incomes below \$4,000 that reside in each of the States.

The section 4 funds are used to help schools buy food for the lunches served to *all* children—to both children who pay the full price of the lunch and the children who receive free and reduced-price lunches. The section 11 funds are used to provide additional special assistance for lunches served free or at a reduced price to children who meet a school's eligibility standards for such lunches.

Both the section 4 and 11 funds are actually disbursed to schools by the State on the basis of an assigned per-lunch reimbursement rate. The section 4 rate is applied to all the lunches; the section 11 rate applies only to the free and reduced-price lunches. In the program regulations, the Department of Agriculture establishes maximum reimbursement rates that a State may pay under section 4 and section 11. Thus, the actual rates of assistance a State pays an individual school under section 4 or section 11 depend upon three factors: (1) The amount of funds made available to the State for section 4 and 11 purposes each fiscal year—the Statewide average rate that can be financed; (2) the maximum per-lunch rates of assistance authorized by the Department; and (3) how the State varies rates of assistance in accordance with the relative need of the individual schools, within that Statewide average rate.

MAXIMUM RATES OF ASSISTANCE

Many people first interpreted our proposed regulations as requiring a reduction in the maximum rates of assistance that were in effect during the last school year. This is not the case.

In the regulations we issued last September for the 1970-71 school year, the following *maximum* rates were authorized:

12 cents per lunch under section 4;

30 cents in addition for each free and reduced-price lunch under section 11, with a proviso that the neediest schools could receive up to 60 cents for each free and reduced-price lunch.

If a State determined that a school needed in excess of 30 cents for a free and reduced-price lunch, our regulations required that such a school receive section 4 assistance at the maximum rate of 12 cents. The section 11 rate could then exceed 30 cents—up to a maximum of 48 cents—or a total of 60 cents in combined funds.

This latter proviso—called the "12-cent rule"—met opposition among the States. They felt it endangered the total program because section 4 funds had to be diverted from the more affluent schools in order to pay 12 cents in section 4 funds to the neediest schools. They felt *all* the extra assistance for free and reduced-price lunches required by the neediest schools should be financed out of funds available for section 11 purposes.

Effective in February, we did, in effect, suspend the 12-cent rule. We allowed States to finance the required increase in section 4 rates for the neediest schools out of funds available for section 11 purposes.

The maximum rates of assistance we have authorized in the proposed regulations remain essentially unchanged from the 1970-71 rates. A State is still authorized to pay its neediest schools up to 60 cents for a free or reduced-price lunch. (A maximum rate of 50 cents is proposed if the school is serving a significant number of reduced-price lunches because it would be receiving revenues from the reduced-price payments.)

Our proposed amendments are concerned with the distribution of available funds among the States—with the average reimbursement to be paid on a Statewide basis—not with the maximum rates.

1971 PROGRAM FUNDING

The 1971 appropriation act contemplated a national average section 4 rate of 5 cents and a national average reimbursement rate of 30 cents in additional assistance for free and reduced-price lunches.

The following amounts were provided in the 1971 appropriation act to finance those contemplated rates: A direct appropriation of \$225 million in section 4 funds and a direct appropriation of \$204.7 million in section 11 funds. The use of \$154.7 million in special section 32 funds also was authorized in our appropriation act.

As I indicated earlier, the National School Lunch Act specified how the section 4 and section 11 funds are to be divided among the States. The use of the special section 32 funds is at the discretion of the Department but the appropriation act contemplated that most of the special section 32 funds would be used to supplement the section 11 appropriation for free and reduced-price lunches.

Without any experience on which to judge the impact of Public Law 91-248, the Department decided to use the special section 32 funds as follows:

The entire amount—\$154.7 million—was apportioned to States under section 11 apportionment formula. The section 11 formula was selected because most of these section 32 funds were expected to be used for section 11 purposes for free and reduced-price lunches.

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We did give States flexibility in the use of these section 32 funds. In addition to using them for free and reduced-price lunches, they were authorized to use the funds to augment funds appropriated for the school breakfast program and the funds for equipment assistance for needy schools, especially for "no-program" needy schools.

However, as we gained operating experience under Public Law 91-248, it was apparent that the method of distributing the special section 32 funds was creating a problem. It did not put the funds in the States where they were needed. By January, some States were reporting that they would soon exhaust their funds; other States reported they had a surplus in funds. By mid-April—under the cumbersome and time-consuming reapportionment method—we were able to transfer over \$30 million from States with a surplus to States with a deficit. But, during the period we were effecting those fund transfers, the deficit States had to operate upon our assurance that we could obtain the release of funds from other States.

THE 1972 PROPOSAL

After this experience, we concluded that it would be in the best interest of all of the States if a method for distributing the available funds could be found that would better distribute the funds among the States in accordance with expected participation at the beginning of the school year.

This exploration led us to another conclusion; one that—in our view—represents a real breakthrough in school lunch financing. We concluded that we needed to go beyond the funding level planned in the 1972 appropriation—a national average reimbursement rate of 5 cents under section 4 and a national average rate of 30 cents under section 11. We felt the available section 32 funds should be used to guarantee each State that—no matter how much expanded its program—it could be assured that it would be able to maintain a Statewide average rate of 5 cents under section 4 and a Statewide average rate of 30 cents under Section 11.

This is the essence of our August 13th proposal. Some States have interpreted our proposed regulations to require them to initially establish rates of assistance within the funds apportioned to them under sections 4 and 11 of the Act. That is not the case. That would, in effect, cancel out our announced guarantee that no State will have to establish Statewide average rates at less than 5 and 30 cents. The regulations, as amended by our proposal, instruct States to establish rates "within the funds available" to the State agency. The funds available to a State agency in 1972 under the regulations are:

Its apportioned share of the \$225 million appropriated for section 4, *plus* such amounts of special section 32 funds as the State needs to maintain a Statewide average section 4 rate of 5 cents; and

Its apportioned share of the \$237 million appropriated for section 11, *plus* such amounts of special section 32 funds as the State needs to maintain a Statewide section 11 rate of 30 cents.

With program expansion in 1972, these 5-cent and 30-cent guarantees will use all of the special section 32 funds made available under our 1972 appropriation act.

Under our proposal, some States would be able to maintain Statewide average rates in excess of 5 cents or 30 cents in 1972—out of their apportioned share of the direct appropriations for section 4 and section 11. They would be able to pay those higher rates. They would not, of course, receive any section 32 funds to enable them to pay still higher rates. On the other hand, they would not be asked to release any of their apportioned funds for use by other States.

Some have interpreted our proposed regulations to mean that no school can receive more than 35 cents for a free or reduced-price lunch. That, too, is not the case. States can continue their past authority to vary rates among schools—paying above the Statewide average rate to the needier schools and less than the Statewide average rate to the more affluent schools.

THE IMPACT OF OUR PROPOSALS

We have a series of charts that summarize the impact of our proposed regulations on section 4 and section 11 funding.

This first chart shows the 1971 expenditures for section 4 and section 11 purposes and the amounts provided under our annual appropriation act for 1972 for these same purposes:

[In millions of dollars]

	1971	1972
Sec. 4 apportionment.....	225.0	225.0
Needy schools and children:		
Sec. 11 apportionment.....	203.8	237.0
Special sec. 32—	20.8	
To finance the 12-cent rule.....	86.8	153.2
Free and reduced-price lunches.....		
Subtotal.....	311.4	390.2
Grand total.....	536.4	615.2

As this chart indicates, the amount of money available for section 4 purposes in 1972 is the same as was appropriated in 1971—\$225 million.

There is \$78.8 million more available for special assistance for free and reduced-price lunches than was spent in 1971—\$300.2 million compared to \$311.4 million.

The second chart shows the Statewide average section 4 rates that were paid out of the \$225 million in 1971 by the 50 States and the District of Columbia; the projected average rates that those States could have paid in 1972 without our proposed change in the use of the special section 32 funds; and the projected average rates under our proposal;

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	Number of States, 1972		
	1971	Without revision	With revision
Statewide rate—Sec. 4:			
7 cents and above.....	6	2	2
6 to 6.9 cents.....	9	11	11
5 to 5.9 cents.....	22	21	38
4 to 4.9 cents.....	12	12	0
Below 4 cents.....	2	5	0
Total.....	51	51	51

In the absence of our proposed change, 17 States were faced with an average Statewide section 4 rate of less than 5 cents and five of these were faced with an average rate of less than 4 cents. We are proposing to guarantee these States a Statewide average rate of 5 cents.

The third chart shows the same information for the section 11 rates—the special assistance for free and reduced-price lunches: The average Statewide payments out of the \$311.4 million expended for this purpose in 1971; the projected rates that would have prevailed in 1972 if we had not proposed a change in the distribution of special section 32 funds; and the projected rates under our proposal.

	Number of States, 1972		
	1971	Without revision	With revision
Statewide rate—Sec. 11:			
40 cents and above.....	11	15	0
35 to 39.9 cents.....	9	8	1
30 to 34.9 cents.....	15	9	50
25 to 29.9 cents.....	12	7	0
20 to 24.9 cents.....	2	9	0
Below 20 cents.....	2	3	0
Total.....	51	51	51

If we had continued last year's method of distributing the \$153.2 million in special section 32 funds, and every State used all of its section 32 money for free and reduced-price lunches, the average rate in seven States would have been between 25 and 29.9 cents. In an additional 12 States, the average rate could have been below 25 cents, and 3 of the 12 could have faced an average Statewide rate of less than 20 cents for each free and reduced-price lunch. Our proposal guarantees every State at least a minimum Statewide rate of 30 cents for each free or reduced-price lunch.

It is true that a few fortunate States would have been able to pay higher rates of assistance under section 11 in 1972, if we had continued last year's method of distributing section 32 funds. But, these higher rates would have meant that up to 19 States would have a Statewide average rate of less than 30 cents in 1972.

EQUIPMENT ASSISTANCE

Before summarizing these proposals on the distribution of available funds, I want to comment on a second part of our August 13th proposals—those that affect the equipment assistance funds.

Section 5 of the Child Nutrition Act authorizes Federal equipment assistance for schools which draw their attendance from areas in which poor economic conditions exist—in short, needy schools. The funds can be used to help needy schools which have “no, or grossly inadequate” food service equipment.

In 1971, a total of \$15 million was appropriated for this equipment assistance. But States elected to use substantial amounts of their special section 32 apportionment for equipment assistance last year. In total, reports from the States now show that a total of \$36.7 million was used for equipment assistance last year.

Our fourth chart shows the amount used for equipment assistance for needy schools in 1970 and 1971. You will not that most of these funds went to schools that were already operating a food service.

There is no doubt that some already participating schools did have “grossly inadequate” equipment. But, we now believe greater emphasis should be placed on the use of these funds to bring needy “no-program” schools into the Type A program.

We are holding equipment funds in 1972 to the \$16.1 million authorized in our appropriation act. We have amended our regulations to place a positive obligation on States to seek out—and work with—needy “no-program” schools.

And, we are proposing that at least half of each State's equipment funds be held in reserve for “no-program” schools until March 1—unless the State can demonstrate that the funds should be released for already participating schools at an earlier date.

SUMMARY

Returning to our August 18th proposals on the distribution of cash assistance funds to the States, we would want to emphasize these points:

First, our proposals are not designed to save funds. We expect to spend all the funds authorized in our 1972 appropriation act.

Second, we have not reduced the maximum rates of assistance that were authorized for last year.

Third, we will be placing a floor under section 4 and section 11 rates on a Statewide basis for the first time—a floor that is guaranteed no matter how much expansion a State is able to achieve.

Fourth, we do not believe that we should have continued a method of distributing available funds among the States which—because of the vagaries of statistical apportionment formulas—allowed some States a “funding feast” while other States suffered from a “funding famine”.

Finally, we want to re-emphasize that the National School Lunch Act contemplated that the funding of the program would be a joint Federal, State, and local responsibility. This principle was reaffirmed in the Public Law 91-248 amendments. One of those amendments required, beginning this fiscal year that all States put State tax revenues into the program. State matching is required only for the funds made available under section 4 of the Act. But, Public Law 91-248 requires States to distribute the matching State revenues they put into the program in a manner that concentrates their use on the financing of free and reduced-price lunches.

FEDERAL FUNDING—NATIONAL SCHOOL LUNCH PROGRAM, FISCAL YEARS 1971 AND 1972
[In millions of dollars]

	1971 (preliminary)	1972 (appropriation)
Regular sec. 4 apportionment.....	225.0	225.0
Needy schools and children:		
Sec. 11 apportionment.....	203.8	237.0
Special sec. 32:		
To finance 12-cent rule.....	20.8	
Free and reduced price lunches.....	86.8	153.2
Subtotal.....	311.4	390.2
Grand total.....	536.4	615.2

Source: U.S. Department of Agriculture, Food and Nutrition Service.

AVERAGE SECTION 4 REIMBURSEMENT RATES FROM \$225 MILLION APPORTIONMENT, 50 STATE AGENCIES AND DISTRICT OF COLUMBIA

Average statewide rate per lunch	Number of States		
	Fiscal year 1971 (preliminary)	Fiscal year 1972	
		Without USDA proposal	With USDA proposal
7 cents and above.....	6	2	2
6 to 6.9 cents.....	9	11	11
5 to 5.9 cents.....	22	21	38
4 to 4.9 cents.....	12	12	0
Below 4 cents.....	2	5	0
Total.....	51	51	51

Source: U.S. Department of Agriculture, Food and Nutrition Service.

AVERAGE REIMBURSEMENT PAYMENTS FOR FREE AND REDUCED-PRICE LUNCHES, 50 STATE AGENCIES AND DISTRICT OF COLUMBIA

Average statewide rate per lunch	Number of States		
	Fiscal year 1971 (preliminary)	Fiscal year 1972	
		Without USDA proposal	With USDA proposal
40 cents and above.....	11	15	0
35 to 39.9 cents.....	9	8	1
30 to 34.9 cents.....	15	9	50
25 to 29.9 cents.....	12	7	0
20 to 24.9 cents.....	2	9	0
Below 20 cents.....	2	3	0
Total.....	51	51	51

Source: U.S. Department of Agriculture, Food and Nutrition Service.

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EQUIPMENT ASSISTANCE FOR NEEDY SCHOOLS

	Fiscal year 1970	Fiscal year 1971 (preliminary)
Schools:		
Total schools assisted.....	7,974	15,500
No-program schools assisted.....	524	1,402
Dollars:		
Total for nonfood assistance.....	16,795,170	36,697,000
Total for no-program schools.....	2,799,569	9,242,966

Source: U.S. Department of Agriculture, Food and Nutrition Service.

Mr. ELLENDER. I ask unanimous consent to place in the RECORD tables from the Department of Agriculture indicating how the section 32 funds are and have been used over the last few years.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL SCHOOL LUNCH PROGRAM—PROGRAM SUPPORT

The table below indicates, on a per meal basis, the amount of program support and the proportion of the total from each source.

The Fiscal Year 1972 data are projected assuming: (1) a 5 percent increase in total program support to meet increased living costs; and (2) the 1972 Federal proportion of support at the 1971 level.

Fiscal year	Amount per meal (cents)			Proportion of support (percent)			Total
	Federal ¹	State and local payments	Children's	Federal	State and local payments	Children's	
1968.....	13.5	13.7	30.9	58.1	23.2	23.6	100
1969.....	14.1	14.1	30.9	59.1	23.8	23.9	100
1970.....	15.9	15.3	31.0	62.2	25.6	24.6	100
1971 estimate.....	21.5	15.2	29.1	65.8	32.7	23.1	100
1972 projected ²	22.6	46.5	.....	69.1	32.7	67.3	100

¹ Federal support includes cash and donated commodities.

² The projected 1972 rates are based on the assumptions that increased costs of 5 percent in 1972 over 1971 will be reflected in the program support and the proportion of Federal support would continue at the 1971 level of 32.7 percent.

U.S. DEPARTMENT OF AGRICULTURE, SEC. 32—SUMMARY OF USE OF FUNDS

[In thousands]

Item	Fiscal year—			
	1960	1970	1971	1972
Carryover from prior year.....	\$300,000	\$299,921	\$300,000	\$300,000
Recovery of prior year obligations.....	667	130	.....	.....
Appropriation.....	251,446	698,453	728,760	765,887
Total available.....	552,113	998,514	1,028,760	1,065,887
Transfers to—				
Child nutrition program.....	43,657	194,266	238,358	232,043
Agricultural Research Service.....	.....	15,000	15,000	15,000
Foreign Agricultural Service.....	2,493	3,117	3,117	3,117
Interior Department ¹	4,994	7,636	7,627	7,552
Total transfers.....	51,144	220,019	264,102	257,712
Commodity purchases and export payments.....	104,720	331,843	288,666	295,674
Financial assistance to States.....	.....	5,821	13,655	19,700
Special feeding program.....	.....	127,161	152,609	181,758
Surplus removal operating expenses.....	2,449	7,186	7,046	7,669
Marketing agreements and orders.....	1,776	2,576	2,682	3,374
Food and nutrition aids.....	.....	34	.....	.....
Total obligations.....	108,945	474,601	464,658	508,175
Unobligated balance returned the Treasury.....	91,222	3,894	.....	.....
Unobligated balance carried forward to subsequent years.....	300,862	300,000	300,000	300,000

¹ Department of Commerce in fiscal year 1972.

² Included production payments on cranberries of \$7,500,000.

³ Includes a recovery of prior years obligations of \$802,000 available in fiscal year 1961.

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Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. Mr. President, I yield 1 more minute to the Senator.

Mr. ELLENDER. Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I suspect that the Senator from Louisiana and some others, especially those of us on the Appropriations Committee, who will vote against the joint resolution will be labeled as being against the school lunch program. I would like to point out again that the Senator from Louisiana was coauthor of the present School Lunch Act, and he led the fight 5 years ago to put the breakfast program in the school lunch program.

Mr. AIKEN. Mr. President, I yield myself 2 minutes at this time, because I would like to comment on what the Senator from North Dakota said.

When we had our executive committee meeting 2 days ago, at which this joint resolution was ordered to be reported to the Senate, there was a generous supply of public relations men in the committee room—three to be exact, two employed by the committee and one besides. I was surprised when shortly after the meeting a reporter came to me and told me he had heard that anyone who voted against this measure was against the school lunch bill.

I was further amazed to find in the report the names of Senators Ellender, Aiken, Young, Curtis, and Dole in big letters, as voting against this bill. Coupled with what the reporter was told, it means that these five Senators were against the bill.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TALMADGE. The Reorganization Act requires the report to state how the Senators voted. It was done for that purpose alone, in compliance with the Reorganization Act, which I voted against, may I say. I thought it was unwise. I certainly would not want this Record to indicate that the distinguished Senator has been dilatory or negligent in his support of nutrition programs, because that is not true.

Mr. AIKEN. I thank the Senator from Georgia for I was not aware of this change in the rules, but I had never seen the names listed in that manner before in a report of the Committee on Agriculture and Forestry.

Mr. HRUSKA. It is required.

Mr. AIKEN. If it is required by law, I am for it, but I do want to say that the Senator from Louisiana (Mr. Ellender) is the father of the school lunch bill and he was assisted in that effort by the Senator from North Dakota and myself, and I will say that no one has worked harder for a good school lunch program than those who are recorded as voting against this resolution, which would bypass the Appropriations Committee.

What we insist on is an adequate school lunch program and we will, I am sure, vote for every dollar necessary to feed every child in this country who is entitled to a school lunch, and possibly some who are well able to pay for their own.

We ask for efficient management of the school lunch program, and above all, we want honest and aboveboard management.

I will yield myself a few minutes later to give an example of what I mean by that latter statement.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield myself such time as I may require. I dislike finding myself in the role of being in disagreement with the distinguished former chairman of the committee, the able and distinguished Senator from North Dakota, the able and distinguished Senator from Nebraska, and the able and distinguished senior Senator from Vermont, former chairman of this committee himself. We find ourselves fighting together for the same objective the overwhelming majority of the time, but in this instance we disagree. All of these gentlemen have said they are, and knowing their records, I know they are ready, willing, and prepared to vote for every dime in a supplemental appropriation bill which may be necessary to carry out the program. Knowing of their dedication and their conviction and their loyalty to this program, I know that to be correct, but they make the argument that we are bypassing the Appropriations Committee.

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I want to read from page 2, beginning on line 3, of the joint resolution:

... the Secretary of Agriculture shall until such time as a supplemental appropriation may provide additional funds for such purpose use so much of the funds appropriated by section 32 . . . as may be necessary.

That does not bypass the appropriations process. As a matter of fact, it is a stopgap measure, waiting until the Appropriations Committee can act. It is important to do so because the regulations that have been promulgated by the Department of Agriculture have created chaos and consternation and confusion in our school lunch programs throughout the length and breadth of this country. Those regulations have provided for payments per meal less than were made available last year and detained and delayed carrying out the program. The law mandates, on the one hand, that it be carried out; the Department of Agriculture regulations, on the other hand, would provide inadequate funds for the purpose of carrying it out.

So it is imperative that the Senate act, and act now. This is not new or novel. The Senate, in 1968, did exactly the same thing in Public Law 90-328, a joint resolution approved June 4, 1968, which originated in the Senate Committee on Agriculture and Forestry.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statute was ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commodity Credit Corporation is hereby authorized and directed to make advances to the Emergency Credit Revolving Fund (7 U.S.C. 1966) in a total amount not to exceed \$30,000,000. Such advances together with interest at a rate which will compensate Commodity Credit Corporation for its cost of money during the period in which the advance was outstanding shall be reimbursed out of appropriations to the fund hereafter made.

Approved June 4, 1968.

Mr. TALMADGE. And on June 30 of this year, 1971, an act originating in the Committee on Labor and Education of the House of Representatives came over here, went to our committee on Agriculture and Forestry, was reported by the committee by unanimous vote, and was passed by a unanimous vote of the Senate. I ask unanimous consent that that act, Public Law 92-32, be printed in the RECORD at this point.

There being no objection, the statute was ordered to be printed in the RECORD, as follows:*

Mr. TALMADGE. I now yield 5 minutes to the distinguished Senator from California.

Mr. CRANSTON. Mr. President, I thank the distinguished Senator from Georgia for yielding, I wish to pay tribute to the very effective and vigorous leadership he has been providing in this very important matter.

Mr. President, I rise in support of Senate Joint Resolution 157, the emergency resolution for full Federal funding of the free and reduced price school lunch program.

California has a special stake in the resolution of this latest school lunch crisis. We have almost 5 million school children from kindergarten through the twelfth grade in California, and 1 million of these have been identified by the State education department as "needy" students. That is, one-fifth of the total elementary and secondary school population in my State is eligible for the free and reduced price lunches available under section 11 of the National School Lunch Act, as amended.

The principal purpose of Public Law 91-248, enacted by Congress in May, 1970, was to facilitate the provision of free and reduced price lunches for all needy children. In fact, the mandate of Congress in Public Law 91-248 is quite clear: all needy children shall be served meals free or at a reduced cost.

The regulations proposed by the Department of Agriculture on August 13 reduce the Federal reimbursement rate per lunch under section 11 to 30 cents, although the actual cost per meal averages around 50 cents—after deducting about 10 cents worth of donated Federal commodities. Unless these regulations are revised to provide a more adequate Federal reimbursement level, the entire

*See p. 1964, subsequently printed in this hearing.

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school lunch program in California will be jeopardized. In their present form, the regulations simply do not carry out the intent of Congress that every needy child shall be served a free or reduced price lunch.

The resolution before us today would direct that the Federal reimbursement level be raised to 40 cents for free and reduced price lunches. Dr. Wilson Riles, California's superintendent of Public Instruction, informs me that 40 cents is the minimum Federal reimbursement needed to maintain the gains made in the California school lunch program under his able leadership.

Dr. Riles' office has identified 1 million children as meeting the income criteria for the free and reduced price lunches. Last year, 500,000 needy children in some 800 school districts in California were served free or reduced price lunches—400,000 of these received free lunches. This year, the State set a goal of providing 750,000 free and reduced price lunches, and next year California hopes to have reached all 1 million needy children. Dr. Riles, who has taken the congressional mandate to heart and has endeavored to provide free and reduced price lunches to every needy child, is extremely concerned about the effect of these regulations on California's lunch program—30 cents is just not adequate to do the job.

With unemployment climbing, school districts in California have no means to raise the additional revenue to continue their lunch programs. Governor Reagan vetoed \$6 million from the State budget that was to have provided 10 cents in State funds to assist school districts. Without an increase in the Federal reimbursement, districts may be forced to terminate their school lunch programs.

The East Whittier School District has already dropped out of the program. At least a dozen other school districts have expressed concern to Dr. Riles' office that they, too, may be forced to terminate their lunch programs.

I submit, Mr. President, that it is appallingly callous to deny lunches to hungry schoolchildren because of this administration's policies in fighting inflation. Surely our underprivileged, undernourished hungry children need not be sacrificed for those policies. Just what are our priorities? Adequate funds must be made available immediately if the people of this Nation are to maintain any faith in the promises of their elected representatives. It has been more than 2 years since President Nixon declared—

The moment is at hand to put an end to hunger in America itself for for all time.

The moment is still at hand. For the sake of the schoolchildren in California and across the Nation, I urge the Senate to approve this resolution.

Mr. PASTORE. Mr. President, will the Senator yield me 2 minutes?

Mr. TALMADGE. I yield 2 minutes to the distinguished Senator from Rhode Island.

Mr. PASTORE. Mr. President, I believe that one of the finest things we do for the nutritional care of our children is this school lunch program, especially as it affects needy children who cannot afford to buy the kind of food to give them the sustenance that is necessary to allow them to grow into healthy womanhood or manhood.

I have received an abundance of mail from my State. I realize that arguments can be made pro and arguments can be made con, but I think that of all the programs that we have, this is one program where there has been less abuse and where there has been less waste than in any other program that I know of.

As I say, I have received an abundance of mail from most of our cities and towns—stating that unless we do something, and do it rather quickly, they will have to abandon or curtail their participation in this program. I am afraid that unless we do something as a stop-gap until such time we appropriate the proper amount of money the ones who are going to be the losers in all this will be the young children of America.

I say that even if we make a mistake here today, which I strongly doubt, we are making it on the side of our children, to see that they are fed well, and I hope we will move along with the resolution.

I know there are no more dedicated Members of this body than the Senator from Louisiana (Mr. Ellender), my good friend the Senator from North Dakota (Mr. Young), my good friend the Senator from Nebraska (Mr. Hruska), and my good friend the Senator from Vermont (Mr. Aiken), who has been here fighting time and time again for the needy—I remember the great fight he put up on the floor of the Senate on prenatal care. There is no greater humanitarian in the Senate than Senator Aiken, my good friend from Vermont.

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I hope if a mistake is made here today, we make it on the side of the children. So let us get on with it, and pass this resolution.

Mr. TALMADGE. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, the chairman's (Mr. Talmadge) statement was most informative and conclusive and in my judgment made the case for the resolution.

I call the attention of the Senate to the provision in section 9 of the School Lunch Act which refers to the needy children. It says:

Such meals shall be served without cost or at a reduced cost not exceeding 20 cents per meal to children who are determined by local school authorities to be unable to pay the full cost of the lunch.

The point that is made there is that they shall be served. It is mandated. In fact, the Department of Agriculture mandated the school authorities to prepare a program to feed needy children.

When you do that it means that you expand the program, and when you expand the program it costs more. You do not expand the program by reducing the amount of funds that goes for each meal. You may be able to expand the total coverage, but you make it impossible for some of the schools to participate.

The other point I should like to make is that where there is State participation, many State legislatures are already out of session. They cannot make the adjustments that would be required by the present rules and regulations of the Department of Agriculture for the coming school year.

The point has been well made that we are not advancing anything here from the committee that is new. The chairman of the committee has presented two resolutions previously adopted by Congress, one by this Congress and one by a previous Congress, that extended the use of section 32 funds on the principle of reimbursement.

That is one of the reasons for section 32 funds, that it gives some flexibility in emergency situations. Sometimes it was for citrus fruits, sometimes it was for meat. This time it is for school lunches. But the resolution requires the appropriation process to make the reimbursement.

I think it also should be noted that in the last school year the payments were running about 42 cents per lunch for the lunch program. This year, it is 30 cents out of section 11, 5 cents out of section 4, which means 35 cents. This resolution would provide not less than 40 cents—which by the way, would be 2 cents less than last year, at the end of the year, when new programs were offered and advanced.

So under the existing rules and regulations, section 32 would provide the additional amount that would make it possible to have a minimum of 40 cents.

The committee report points out what the committee amendment would do. The committee amendment would make it clear that funds provided by the resolution would be apportioned in a manner that would best enable schools to provide lunches to needy children, and that is required by the mandate of the law.

It would also require that these funds be apportioned and paid as expeditiously as practicable, because reimbursement is necessary for school lunch programs in local schools and school districts. There is not a school district in this country, with a few exceptions, that is not hard pressed. Every school lunch program has been affected by inflation, just as the market basket of the average home has been affected by inflation. If the Senate were filled with housewives, who have to go out every day to do the shopping at the supermarket, they would be laughing at us to think that a school lunch could be provided at 30 or 35 cents. They know that it cannot be done, particularly when last year it required 42 cents.

If anyone can present a scintilla of evidence that the costs of food have gone down since last year, it will be the greatest news flash that has come across the country since the end of World War II. It has not happened. Yet, the administration apparently thinks it has.

What we are saying here, further, is that we would require the Secretary of Agriculture to determine and report to Congress the needs for additional funds for fiscal 1972 for the school breakfast and nonfood assistance programs. Finally—and this is the important provision—this amendment, presented today, provides that the maximum reimbursement rate under section 11(e) of the National School Lunch Act shall not be less than 40 cents.

I repeat: We have not become spendthrifts. We are not just casting the public funds around recklessly. Quite frankly, we have been debating a bill called the military procurement bill in which we have much less certain evidence than this,

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by far, on things for which we have been voting. Yet, we are arguing about whether or not we are going to provide an extra nickel, an extra 5 cents per schoolchild, a needy child, for school lunches; and we are going to go through the appropriation process. I have to say, most respectfully, that I recognize the importance of procedure in this body; but may I say that this is all taxpayers' money. It belongs to the people. It does not belong to Congress. We are here to serve the American people and, in this instance, the American schoolchild.

I am amazed that President Nixon and his Department of Agriculture have ignored the advice and, indeed, the protests of hundreds of school administrators in refusing to change the school lunch regulations published on August 13—regulations which will impair the school lunch program.

It was expected that the regulations would be formalized last Friday. But somehow there was a delay. Perhaps it was because, as we have evidenced here today, the Congress will not stand by and allow the President to turn his back on needy children in the name of economy or departmental and budget restrictions.

If the President decides to stand by these regulations, he will have ignored the mandate of the law, as well as a lot of hungry children.

This administration has also ignored the advice of school lunch officials around the country.

It has ignored a letter signed by 44 Senators, including myself, as well as individual letters from other Members of Congress.

It has ignored thoughtful pleas of congressional committee chairmen who are responsible for school lunch legislation.

And it has reneged on a promise made by President Nixon in 1969, when he pledged to put an end to hunger among American schoolchildren.

These regulations of the Department of Agriculture will destroy the school lunch programs for many school districts and limit or weaken the program in other schools.

Surely the President cannot ignore the Senate when it adopts today's resolution. Surely he cannot ignore the House when it does the same. Nor can he any longer ignore promises given to American schoolchildren made in the happy glow of promise created by a White House Conference on Nutrition at Christmastime in 1969.

The Conference on Nutrition did not produce the legislation we are now operating under. Despite the administration's flowery promises, it was the Congress that took the leadership and acted.

When the Congress passed the authorization for the school lunch program last June, it gave the Secretary of Agriculture more than he asked for in appropriated funds, and it gave him the discretion to use his customs receipts section 32 funds to supplement the appropriations.

In other words, this Congress did not believe that USDA could operate a bigger program on the same number of dollars. Our action today in adopting Senate Joint Resolution 157 would take away the Secretary's discretion on spending the money and require that he do so. And we have put a money figure in the resolution so that they cannot by regulations ignore our language this time.

In the newspaper accounts of this crisis, we have seen oblique references that it is not the fault of the Department of Agriculture that poor American children will not be fed this year—no, it is some faceless bureaucrat at the Office of Management and Budget who caused all this.

I say that is nonsense. The Office of Management and Budget is under the control of the President of the United States. Let us put the blame where it belongs, on the President and the Department of Agriculture.

Recently I introduced additional legislation to provide a daily free nutritious meal for every schoolchild from the high school level down.

This bill (S. 2593) is designed to end the incredible patchwork of limiting legislation, administrative regulations, and bureaucratic redtape that typifies our present child feeding programs.

This bill would mean increased costs for our child nutrition programs, but the increased expenditures will be repaid many times by the benefits provided and the contributions the bill would make toward the health and educational development of young people.

Healthy, well educated children are more likely to become healthy, responsible adults. But without the assurance of adequate nutrition and nutrition education, we cannot expect to achieve these goals.

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Mr. President, I hope there will be prompt passage of Senate Joint Resolution 157. And I hope the Senate will adopt a further amendment to this resolution, which is being submitted by the Senator from Iowa (Mr. Miller). I fully support this additional action to help schools finance free and reduced price lunches, by increasing the minimum reimbursement level under section 4 from 5 to 6 cents. By these actions the Senate can help assure an effective program under which every needy child can be fed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. I yield 1 additional minute to the Senator.

Mr. HUMPHREY. I believe one of the unfortunate things about this discussion is that someone may be led to believe that we are arguing about whether children ought to be fed. That is not the case. I look on the other side of the aisle and on this side of aisle, at Senator Ellender, Senator Aiken, Senator Young, and other Senators who have given of their lives to this program; and I join others who have commended them. These are the finest friends the agricultural people have and that the schoolchildren have.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. The Senator from Minnesota has recently introduced a bill which would provide for the feeding of all children, whether from needy families or not.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. I want to remind him that no one has worked more strenuously against putting eartags on our schoolchildren than I have. One thing we strenuously object to is designating these children by class. These are poor kids whose folks cannot properly take care of them. And there are well-to-do kids. As a matter of fact, according to my belief, it is the well-to-do people who pay the taxes that make the meals for the poor children possible.

I am very much interested in the bill which the Senator from Minnesota has introduced.

Mr. HUMPHREY. I thank the Senator.

Mr. AIKEN. But I am also interested in competent management of the whole program.

Mr. HUMPHREY. I think the Senator from Vermont has brought up a point which our committee must look into—the competent management of the program. The Senator from Vermont brought this to the committee's attention, and I would hope that we would pursue the request and the suggestion made by the Senator from Vermont; because a good program like this loses much of its public support if it is mismanaged. We cannot afford to have that.

Mr. AIKEN. Poor children ought not to be pointed at or downgraded in any way.

Mr. HUMPHREY. I could not agree more. I thank the Senator.

Mr. TALMADGE. Mr. President, I yield 5 minutes to the distinguished ranking minority member of our committee, the Senator from Iowa.

Mr. MILLER. Mr. President, the problem presented by the new USDA school lunch program regulations with which the pending resolution is concerned is that school districts throughout the country, and particularly in my State, formulated their budgets for fiscal 1972 last spring on the assumption that reimbursement from the Federal Government would be continued at the same rate per meal as for fiscal 1971.

Last year, there was a basic reimbursement of 5 cents under section 4 and 30 cents under section 11—national average. However, some States received a higher rate of reimbursement. In Iowa it amounted to nearly 6 cents under section 4 and 47.6 cents under section 11. The school districts in these States budgeted accordingly. At the same time, the States were encouraged to expand their school lunch programs. Accordingly, there is an estimated growth of 11 percent in Iowa.

The new USDA regulations provide for a reduced reimbursement rate, amounting to 5.4 cents and 31.7 cents in Iowa. This would mean that school district budgets in Iowa will be several thousands of dollars short and, for the State as a whole, at least \$1.4 million short.

The problem does not appear to be with the money appropriated by the Congress, because this has been increased from \$536 million for fiscal 1971 to \$615 million for fiscal 1972, and Iowa as well as other States will receive more money

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to accommodate growth in the program. Rather, it is the limitation on reimbursement contained in the regulations which is the problem. If this problem is not resolved, a number of school districts in my State will be forced to discontinue their school lunch program, and I understand this is true in at least 22 other States.

To be fair about this, the new regulations are designed to provide higher rates when free or reduced price lunches are served. There is something to be said for this. The trouble is that the change in reimbursement rate was not announced until long after the school district budgets were set, and anyone familiar with local schools know what chaos results when carefully worked up budgets which have been approved have the rug pulled out from under them later on. This problem has been discussed many times here in the Senate in connection with proposals to change the formula on impacted aid, and one of the arguments always advanced has been the hardship that would be worked on school districts which had budgeted in anticipation of such aid being received at the same rate as in previous years.

I do not say that the school lunch program reimbursement system is the best that can be devised. However, if there are going to be any changes, I believe these should be worked out in close cooperation with State and local school officials and published early enough so that school district budgeting can take into account any changes that would be effective for the following year.

Accordingly, I support the pending resolution.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the distinguished Senator from North Carolina.

Mr. JORDAN of North Carolina. Mr. President, I am a member of the Committee on Agriculture and Forestry. I have supported every school lunch program that has come out of that committee, as well as the milk program, which also has come out of that committee.

I do not know of any more desirable or beneficial legislation that has ever come out of Congress than the lunch program and the milk program which feed our children through our schools.

This bill and the bills before it merely provide that children who do not have the money to purchase a school lunch can be provided with free lunches or lunches at a reduced-price if necessary.

As most Senators know, the United States, in its generosity, has been helping to feed hungry children all over the world for many, many years. I am proud to have helped support that worthy project, because I do not want any child in the world to go hungry. At the same time I think it is certainly our duty to see that our own children have ample lunches or breakfasts, or whatever food is required, so that a child is properly nourished and will not go hungry when he is in school.

I am sure that no hungry child can do a good day's work in the classroom. That has been proved by the finest physicians in this country, that a child's thinking power, his brain, does not mature as well as it should if he does not have proper nourishment. That is a known fact. The place to get proper nourishment, if not at home, is in the school, because the school is where the child will be through most of his lunch periods and that is the place for him to eat.

I am thoroughly in support of this piece of legislation. I am one of its cosponsors. I hope that there will be a unanimous vote to see that this extra amount of money is provided and that the Secretary of Agriculture is required to make up the difference in the amount of money which is now short, in order that the school lunch program can be carried out to its fullest extent.

Let me say to the Senator from Georgia that I associate myself with all the good speeches which have been made today in favor of this resolution. The speeches have brought out the fact that it is necessary that our children receive the right amount of nourishment, because when they get the right amount they will grow up to be strong and healthy, as we want them to be.

I am, therefore, delighted to be a cosponsor of this piece of legislation.

Mr. AIKEN. Mr. President, I yield 5 minutes to the Senator from Kansas.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Kansas is recognized for 5 minutes.

Mr. DOLE. Mr. President, I had not intended to speak on the pending resolution until I read a UPI release which is now spread across the country which states in part:

The Senate scheduled a vote today on an antiadministration move to force full financing of the Nation's school lunch program for needy children.

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The target of an Agriculture Committee resolution which must pass the Senate and House to take effect was an administration decision last August to cut Federal financing of the program of free or reduced price lunches for needy children.

Committee sources said resolution sponsors feared heavy administration pressure might gun the measure down on the Senate floor unless there was a good turnout of members—which is unlikely on Fridays.

I do not quarrel with the last part of the statement. In any event, I want to point out that we are spending \$78.8 million more this fiscal year than before.

FEDERAL CONTRIBUTIONS TO CHILD FEEDING PROGRAMS

Mr. President, there has been a sharp increase in Federal assistance to child feeding programs—in school lunch, school breakfast, special milk, equipment assistance, and special—nonschool—feeding programs. In fiscal year 1968, these Federal contributions totaled \$502 million. For fiscal 1972, the Federal contribution will be more than double that amount—\$1,157,989,000.

Most of that increase in Federal funds has been in special assistance for free and reduced-price school lunches to needy children. Between 1968 and 1972 there has been nearly an eightyfold increase in Federal funds for free and reduced-price lunches—from under \$5 million in fiscal 1968 to \$390 million in 1972.

It is now estimated that more than three times the number of free and reduced-price lunches will be served in 1972 than in fiscal 1968. But—with an eightyfold increase in Federal assistance for free and reduced-price lunches between 1968 and 1972, I believe that this is a clear demonstration that the Federal Government has held to its commitment to see that needy children have access to a school lunch.

FEDERAL CONTRIBUTIONS OF SCHOOL LUNCH PROGRAM COSTS ON A PER-LUNCH BASIS

It is true that with a general increase in price levels, the costs of a school lunch program have been increasing. But, so also have the Federal Government's contributions in cash and commodity assistance.

In the fiscal year 1968, the Federal contribution in cash and commodity assistance averaged 13.5 cents for each school lunch served. By fiscal 1970, that per-lunch rate of assistance was 15.9 cents. Last year, the Federal contribution in cash and commodity assistance increased to 21.5 cents per lunch.

In a 4-year period—fiscal 1968 to fiscal 1971—the Federal contribution per lunch has increased by about 8 cents, or 60 percent. During that same 4-year period, State and local contributions increased by less than 2 cents per lunch—from 13.7 per lunch in 1968 to 15.2 cents in fiscal 1971.

Again, the Federal Government's increased contributions have more than kept pace with a growing program, and have been increasing at a far faster rate than those of State and local governmental sources.

THE FEDERAL SHARE

As a result of the significant increase in Federal funding since 1968, the Federal Government is financing a larger share of the cost of school lunches.

So, Mr. President, I think it is not a question of pro- or anti-administration on this matter. As I understand from the debate that took place in the committee, what we have here is a jurisdictional problem, whether the Agricultural Committee is not binding the hands of the Appropriations Committee in the committee's effort. The Appropriations Committee should have that authority. I am not certain how I may feel today, but I have had a lot of telegrams from home, and the inference is clear. As suggested by the Senator from Minnesota (Mr. Humphrey), we are not talking about whether to feed or not to feed children. That is not the question. There is no man in this Chamber who would not appropriate the necessary funds to feed needy children. What we have here, though, is a jurisdictional dispute, not any anti-administration move in the Senate.

There is no effort on the part of the administration to cut what we do for needy children. I would point out that in the past fiscal year we are now up to \$615.2 million in this program, an increase of \$78.8 million.

Now to return to my comments on the Federal share. For many years, the Federal Government was putting up about 23 percent of the cost; State and local sources put up about another 23 percent, and the payments made by children who could afford to pay for their lunches supplied the rest of the funds.

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By 1971, the Federal Government was contributing 32.7 percent of the cost; State and local contributions remained at about the past level—23 percent; and children's payments represented the remainder.

Again, this demonstrates that the Federal contribution to school lunch costs have outstripped those of their State and local governmental partners.

Mr. President, we have all acclaimed public education as the backbone of our Nation's great progress. Quality and equality are crucial features of our public education. Both of these factors are essential in creating a sound educational foundation in order to prepare the students of today to meet the challenges of our rapidly changing society.

Our goal of providing quality education for all students will not become a reality until additional measures are taken to enrich educational programs for the low income and for the minorities. The nutritional needs of all school children must be fulfilled.

There is no longer any doubt that a direct interrelatedness exists between nutrition and school success or failure. Children with empty stomachs cannot learn. They must be provided with free and reduced price lunches.

The effect of providing school feeding programs for eligible students is manifest in many indirect ways. These feeding programs often convince many hungry students who are potential dropouts to stay in school. These students find that learning is a secondary yet important result of feeding programs and our Nation is the beneficiary of their education.

To deny our Nation of its future productive citizens who contribute in a positive way to the progress of our society is unthinkable. To deny these students of their rightful place in society is deplorable.

The school lunch bill passed by Congress last year provides the mechanism to provide every needy child a nutritious lunch. I worked closely with the distinguished chairman of the Agriculture Committee in supporting this legislation. It is good legislation and calls upon the Secretary of Agriculture to see that no school child goes without lunch. The legislation delegates to the Secretary the authority to carry out this program within certain guidelines that assures participation of local, State, and Federal funds.

Through inflationary pressures experienced in recent months, we have experienced some radical increases in school lunch costs in various areas. School lunch directors from 37 States have voiced their concern with proposed USDA regulations that assure an allocation of at least 30 cents per lunch for every needy child fed under this program.

Understandably, my distinguished colleagues have responded to their constituents' protest in submitting this resolution. It is apparent from the testimony presented in committee hearings that inequities will exist under these proposed regulations and additional funds are needed.

I fully support the need for additional funds for this program and am confident our appropriations system will respond to the needs of the program.

So, Mr. President, I would again like to make it clear that there has been no effort on the part of the administration that I know of to deny anyone free and reduced price lunches. To the contrary, that there has been an increase.

There has been a suggestion that perhaps the General Accounting Office should look into this entire program, to see whether it is being properly administered in the States, to see whether the funds are being properly expended in the States, and to see whether we might modernize and bring the program up to date. I feel, and I know that there are other Senators who also feel that perhaps, as we continue to add and add and add, we should take a good, long look at the total program, whether it be section 4, section 11, or the special section 32 funds. I believe that some of us will be pursuing this effort to determine: Are the funds being properly spent? Are they going to the children who should have these free and reduced price lunches?

To me, that is the important question.

I repeat, what we are voting on here today, as I understand it, will be the question of whether the Appropriations Committee or the Agricultural Committee should have jurisdiction.

Mr. HUMPHREY. Mr. President, will the Senator from Georgia yield me 1 minute?

Mr. DOLE. I am in full agreement with the Senator from Minnesota on this.

Mr. TALMADGE. I yield 1 minute to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 1 minute.

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Mr. HUMPHREY. I want to be sure that the Senator from Kansas understands that I was not saying it was a question of whether we feed or not feed children but is a question of jurisdiction. I felt that we had established an adequate precedent covering that matter. So I think that we are both on the same wavelength.

Mr. DOLE. We are, at this point.

Mr. HUMPHREY. That is a refreshing experience.

Mr. DOLE. For both of us, yes.

Mr. TALMADGE. Mr. President, I yield 5 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 minutes.

Mr. HOLLINGS. Mr. President, in a few short weeks, Americans will once again be observing the annual celebration of American abundance and opportunity. We all will be giving thanks for the many and varied blessings that our Creator has bestowed upon this great Nation. Yet Thanksgiving of 1971 will be simply a cruel joke to many millions of poverty-stricken Americans. And more cruel still is the empty promise made nearly 2 years ago by President Richard Nixon. The White House promised that by Thanksgiving of 1970, every needy school child would receive a free or reduced price school lunch. Well, that particular Thanksgiving is gone. And today, the Senate faces an important decision on whether this body's own promises will be fulfilled or whether we shall allow an agency of this Government to make a mockery of congressional mandate.

That mandate is clear: That needy schoolchildren be fed in order to learn and grow up with strong bodies and inquiring minds.

Today's crisis in the American school lunch program is especially saddening, because it has been repeated so many times during the past 2 years. It is a crisis not only of hungry children in schools which will not be able to afford to feed them, but of more than 10 million Americans who are not getting any help whatsoever from our family feeding programs. This situation is all the more cruel because we could eradicate hunger and malnutrition from this Nation without raising another bushel of wheat or harvesting another ear of corn. Children who are malnourished will grow to maturity permanently handicapped and unable to make their maximum contribution to the wealth and well-being of our country. This is a well-documented fact, one which our national leadership is all too slow to grasp. I have dozens of pages of reports and studies which strongly indicate that malnutrition during the formative years of life can rob a youngster of 20 percent of his God-given mental abilities—brain power which can never be fully regained. This must not be tolerated in a country which takes pride in human life and in its good business sense. Malnutrition clearly interferes with a child's ability to learn. As all too many teachers can attest, a hungry child is listless, lacks curiosity and cannot respond to mental stimulation. And if this were not bad enough, malnutrition breaks down a child's resistance to disease—causing him to miss school more often. These poor children are doubly damned—damned by a seemingly uncaring government and by a combination of factors owing to malnutrition which eventually will drag them down for good.

Mr. President, I would like to relate a story about my own State. In South Carolina, we have had one of the finest, if not the finest, school lunch programs in the United States. We have led the Nation in the percentage of all schoolchildren participating in the school lunch program and in the free and reduced cost program. This has been an uphill fight, but through dedicated leadership of our school lunch supervisor, Miss Kathleen Gaston, and because of the determination of school officials throughout the State, we were succeeding. Now, I am told that if the proposed new regulations of the Department of Agriculture are allowed to stand unchallenged, South Carolina will lose as much as \$9.8 million in funds which were expected to have gone into the free and reduced price lunch program.

Just yesterday, the legislature of South Carolina passed a joint resolution urging the Congress to restore the program to full funding. No one can accuse South Carolinians of denying food to needy youngsters. No fuzzyheaded bureaucrat over at the Department of Agriculture can ever look down his nose at our State and say we have not tried, in fact, have not tried harder than anyone.

It is about time that the people of America and the Congress of the United States began asking President Nixon what has become of the lofty promises to

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put an end to hunger in America itself for all time. It is our duty to ask this administration why it is—in effect—cutting back on the food stamp program by denying expansion of this food assistance to counties which want it. More than 180 counties are waiting in line to switch from Government surplus commodities to food stamps. But the administration is saying no, because any expansion would push the program beyond its budgeted level. And apparently, the administration feels it would be fiscally irresponsible to feed hungry Americans and little children.

We have every right to ask why this administration allows its Department of Agriculture to shortchange the poor with a commodity food program which does not meet minimum nutritional needs. The Department's distribution guide promises to distribute 37 pounds of food per month. But in fiscal 1971 only 27 pounds was given out—meaning that the recipients got about half of the nutritional requirements set by our own Government as minimal standards.

This Congress should demand to know why hundreds of applications from States and counties were rejected as the budget cutters wiped out the supplemental food program, a program which was an outstanding and resounding success in South Carolina. The citizens of this country should ask, and be told, what ever happened to the National Nutrition Survey which documented the bleak facts about malnutrition in our country; about the findings of a special report prepared by the then Bureau of the Budget on the cost of malnutrition to the American economy; and to the West Point study conducted on behalf of the White House, all dramatically pointing out that there is hunger in America.

Mr. President, I urge that these things be considered as we decide today upon Senate Joint Resolution 157. I, personally, urgently request its adoption.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield 3 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 3 minutes.

Mr. MONDALE. Mr. President, I particularly rise to express my profound admiration to the leadership and to the very distinguished Senator from Georgia (Mr. Talmadge) on this serious issue—providing adequate nutritious lunches for the schoolchildren of America.

I cannot think of anything that is more disgraceful than living in this land of agricultural abundance, great wealth, and great power, and trying to save a few pennies on the school lunch program that is needed to provide nutritious meals for the schoolchildren of this country when we know beyond any doubt, based upon the Senate Select Committee on Nutrition, of which I am privileged to be a member, and based on the hearings held by the Senate Committee on Agriculture and Forestry, that millions of needy American children are being denied the nutritious lunch they need for their health and in terms of their ability to learn in school.

Mr. President, I cannot think of any area in which those savings are more reprehensible and less justifiable than in the area of attempting to save money at the expense of a child's health or to save money at the expense of a child's capacity to learn.

For that reason I rise to commend the Senator from Georgia for his powerful leadership in bringing this joint resolution before the Senate. I hope the joint resolution will be passed. I had submitted an earlier more liberal proposal, which I would have preferred. However, I realize at this point that it has little or no chance of enactment. So, I do not intend to press it. But I do believe that the proposed joint resolution recommended by the Committee on Agriculture and Forestry is an important and fundamental step forward.

I am pleased to join in its support, and I commend the chairman of the committee for his leadership on this issue.

Mr. President, when my distinguished colleague, the Senator from Georgia (Mr. Talmadge), first introduced legislation last week, I joined as a cosponsor of his proposal, Senate Joint Resolution 157. I would like to commend his diligence and concern to assure that needy children receive meals guaranteed under the National School Lunch Act.

The August 13 regulations issued by the Department of Agriculture, soon to be implemented, would so harm schools participating in the school lunch program, it is necessary for Congress to act to set higher minimum payment rates.

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Many of us in Congress were astonished and deeply dismayed by the new regulations. They would not only prevent a reported 2 million children who have never received federally guaranteed meals from being fed this year, they also would jeopardize existing school lunch programs in thousands of schools, and may force some out of the program.

Statistics from my own State indicate that the August 13 regulations would create a school lunch deficit of nearly \$90,000 for the city of Duluth. In Minneapolis, the estimated loss is \$800,000 and on a statewide basis for Minnesota a \$2 million deficit is expected.

Minnesota is not the only State that would be hurt by the new regulations. A recent survey by the American School Food Service Association reports: California would lose \$9 million; Oklahoma, more than \$1 million; Massachusetts, \$3.2 million; Georgia, \$6 million; Maine, \$1.3 million; Ohio, \$5.5 million—and so on throughout the country.

On September 28, 1971, the Washington Star disclosed:

A number of school districts are reported to be abandoning the school lunch program or considering such a move. They include: Albuquerque, New Mexico; Bridgeport, Connecticut; and, Buffalo, New York.

Unquestionably, Congress must act to remedy this critical situation, and to fulfill the legislative guarantee to needy children clearly expressed in the National School Lunch Act, as amended May 14, 1970.

Although payment rates have been established by Federal regulations in the past, immediate action to fulfill the word of Congress to provide meals to needy children, and to alleviate the serious crisis within our schools—is so essential we cannot allow this issue to rest on precedent alone.

It is evident that time limits for feeding needy children, imposed by Congress in Public Law 91-248, have not been interpreted literally by the administration. All needy children were assured lunches by January 1, 1971. Perhaps it is that the law lacks an effective mechanism to assure that eligible children are fed free and reduced price meals.

Senate Joint Resolution 157 would make perfectly clear that the Congress does mean to feed our needy children this year. And I hope it will also provide the mechanism to fulfill our promise to these youngsters.

While some administration budget officials may think the Federal Government cannot afford to carry out its promises to low-income children, surely we have the resources to see that these youngsters receive one decent meal a day.

Can we think that guaranteeing loans to Lockheed, building space shuttles, or developing inessential weapons systems, are more important than the children who represent a good part of our country's future. In fact, these children are a national resource as precious as any I know.

No, I do not think we can ignore our promises to them. Moreover, I do not believe we can pass the cost of school lunch funding on to the States or to schools.

Whether we agree that revenue sharing is the answer, I think the Congress and the administration are united in searching for a solution to the fiscal crises in State governments. Now—would we ask that they spend more money—millions more—to pay for school lunches?

We see evidence in the findings of the Select Committee on Equal Educational Opportunity of a parallel crisis in school finance. This year we have had the largest number of school bond issues—and the largest number of bond rejections—in our country's history.

Millions of taxpayers in the United States are deeply troubled that they can no longer afford to support even basic school functions—such as libraries and cafeteria—unless budget deficits are alleviated. While these deficits are caused primarily by factors other than school lunch—increasing outlays for meals only would aggravate the desperate situation our schools are in.

I believe we must not only assure that every needy child will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act, but also alleviate the financial burden on the States and local schools in providing nutritious meals for all schoolchildren.

Mr. President, these objectives merit prompt action by Congress.

However, foremost among these must be assuring that the National School Lunch Act is clarified and strengthened so that needy children can—and will—be fed this year.

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We are already a year behind in fulfilling the promise of that law. Many children have suffered needlessly. Some of their losses we can remedy. Others—physical and educational—may be irreparable.

But it is not too late to prevent any more tragedies of this kind. And it is both our legislative and human responsibility to do so without delay.

Senate Joint Resolution 157 recognizes that responsibility, and I hope that the administration will cooperate in seeing it is met.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, some of my colleagues may wonder why I am so concerned over the school lunch program at this time inasmuch as I have supported and will continue to support it fully for as long as I shall be a Member of the Senate.

I am very much concerned over the handling of the program. A few weeks ago I heard from a school lunch director in Vermont who stated that her school could not get the money which they were entitled to for the school lunch program.

After a little time, it appeared that the people in charge of the State office had a press conference. At the conference, as reported by the press:

Several state officials charged Friday that some poor Vermont school-children will go hungry in classrooms this year because the administration of President Richard M. Nixon has subverted the intent of a congressional appropriation for hot lunches.

This story appeared in several of our State papers. I will read an excerpt from a story appearing in another newspaper, and this is dated September 18. This story reads in part:

According to Edward Fabian and Edward Ryan of the Education Department and Steve Rose of Legal Aid, the reduction is the result of an order from the Bureau of the Budget to the Department of Agriculture which funds the program.

The officials stressed that Congress had appropriated funds for the program which the USDA is now forbidden to spend.

These stories went all over the State. It did not make any sense to me inasmuch as the school lunch allocation for Vermont was \$564,172 in 1970 and \$1,180,977 in 1971. That is an increase of 112 percent. There had been a 9-percent increase in the total number of lunches served to school children in Vermont and a 6-percent decrease in the number of lunches that were served to poor and needy children within the State.

I began to inquire into the matter.

These decreases in lunches served to needy children were due to the fact that the children in one selected county had been declared eligible for free or reduced price lunches.

I was advised finally that a letter of credit for \$158,000 had been sent to the State and was not being used by the State. Someone somewhere was sitting on it. I was told first that it was our State office.

A week or so ago I had people from the State office and also from the school lunch program downtown come to my office. One of the topnotch people from downtown said:

No, I guess it was not the State office. It was the regional office that held up the \$158,000.

I do not know who was sitting on it, but in the meantime they were giving out false stories and telling the people of the State that it was the administration which had stopped their children from being fed. I did not like that at all.

I am still unable to get the facts. I am still unable to find out why the cost of the school lunches went up several times the rate of the inflation increase. However, I also believe that what happened in Vermont is also happening in other States of the Union as well. People are being told that the administration is holding up this money and keeping it from being spent.

As far as I am concerned, I will vote for every dollar necessary to feed every kid in school in the United States, whether a child is poor, of middle income or even from well to do families.

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The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. However, Mr. President, I want to know that that money is spent correctly. I want to know that the people are told the truth about it. I find it difficult to get proper estimates. I feel the Committee on Appropriations is in a position to get proper estimates. That is why I think that committee should handle this legislation.

The Senator from Nebraska (Mr. Hruska) has already assured us that the committee would undoubtedly approve an appropriation for whatever is necessary to carry out this program in full. So, Mr. President, that is why I shall vote against this resolution. I feel that the bill before us is not the way to handle the situation. It is an appropriation.

Only the day before yesterday I heard from one community that had been told there would be no money available for them for the rest of the school year, and that is not true.

Is that right?

Mr. TALMADGE. Yes.

Mr. AIKEN. Yes. But that is what they are being told. I think that better management is necessary. I do not question the honesty of any person involved, but do feel that we need better cost controls.

I agree with the Senator from Kansas (Mr. Dole) this is a proper subject for the General Accounting Office to make a complete and thorough investigation.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, I should like to address myself to the real issue which is presented here. It is alleged that speed is necessary in this matter because of the fact that certain regulations have been proposed and they are being mis-carried in this area.

It is charged by some that the issue is whether children will be fed or not, whether the program is going to be abandoned, and so on. Of course, that is all wrong. Five years ago we had a budget of \$227 million for this purpose and now it is \$782 million. The Department assured us they will spend all of that \$782 million. They have explained to the committee how they propose to do it.

If the legislative committee of this body and the other body want to change that policy or increase the amount, or do anything with the policy, that is their legislative jurisdiction. However, when they go over to the field of appropriations we reach a fundamental proposition. I submit that the resolution, when it states:

The Secretary of Agriculture shall * * * use so much of the funds appropriated by section 32 of the act * * * as may be necessary * * *

For purposes in the act, that is appropriation language and there is no question about it.

A precedent is cited in the bill known as Public Law 92-32 which we enacted last June 30. But I wish to suggest to this body that that is not a precedent applicable to this situation. I will read the language from section 15(a) of that law which stated:

The Secretary is authorized to use during the fiscal year ending June 30, 1971 not to exceed \$35,000,000 from section 32 funds.

To direct a Secretary to use certain funds is appropriation language. Or when, however, as last June, Congress said that the Secretary is authorized to use section 32 funds, another step is necessary, to wit, the appropriation process, and a proper appropriation pursuant to that authority.

There is another thing wrong with the resolution and that is that it is an open-ended resolution. It does not specify any particular sum or any limit thereon. The way we are able to control expenditures is to see that they are diverted to the purposes for which they are declared. If, after resorting to the appropriation process the figure is supplied, and if the policy of Congress is changed to require more money, that is proper. The fact is, we will get more money.

In the last 5 years we jumped from \$227 to \$782 million.

It is said that speed is of the essence. Speed will not be served by enacting and approving this resolution. There is considerable doubt that the other body will consider this resolution as such for the very reasons outlined so specifically and

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logically by the Senator from North Dakota, because of ignoring the appropriation process. Speed will be served if we take this matter to the Committee on Appropriations in the regular fashion, when we process the supplemental bill which is now before the other body and which will be over here soon. What we should do is proceed on the basis that we will reject this resolution, not the program—to get at it in the proper and logical way and the program will go forward in the range of \$782 million in any event.

By way of summary, let me say that Mr. Lyng, when he came before the Select Committee, explained there has been some confusion by reason of recent regulations, but here is what he said in summary:

SUMMARY

Returning to our August 13th proposals on the distribution of cash assistance funds to the States, we would want to emphasize these points:

First, our proposals are not designed to save funds. We expect to spend all the funds authorized in our 1972 appropriation act.

Second, we have not reduced the maximum rates of assistance that were authorized for last year.

Third, we will be placing a floor under section 4 and section 11 rates on a Statewide basis for the first time—a floor that is guaranteed no matter how much expansion a State is able to achieve.

Fourth, we do not believe that we should have continued a method of distributing funds among the States which—because of the vagaries of statistical apportionment formulas—allowed some States a “funding feast” while other States suffered from a “funding famine”.

Finally, we want to re-emphasize that the National School Lunch Act contemplated that the funding of the program would be a joint Federal, State, and local responsibility. This principle was re-affirmed in the Public Law 91-248 amendments. One of those amendments required, beginning this fiscal year that all States put State tax revenues into the program. It also provided that States should disburse these tax revenues in a manner that would concentrate them on assistance to the neediest schools.

It seems to me we will have expediency if we revert to the regular conventional appropriation process, as opposed to the unauthorized, unorthodox, and improper fashion of proceeding.

Mr. PERCY. Mr. President, I rise in support of Senate Joint Resolution 157 which would permit Federal support of the school lunch program to continue at its present level.

Twenty-five years ago, in the course of debate on the original school lunch bill in the Senate, my distinguished colleague Senator Aiken pointed out how shortsighted we were as a Nation to willingly spend about \$300 billion on World War II and then quibble and debate and argue whether we as a Nation could afford to spend \$50 to \$100 million on a feeding program for our children. He termed the health and capabilities of those same children as the best and first line of defense for America. I have been reminded of his statement by the resolution we are debating today.

Public Law 91-248 passed in 1970 mandated that all children in need should receive a free or reduced price lunch subsidized by the Federal Government. Now the Department of Agriculture is proposing that the burden of funding these programs fall more heavily on the already overburdened States. If less Federal funds are available, then in order to meet the cost of the lunches, more State and local school district funds will have to be made available. The effect of the proposed regulations is to remove a relatively high reimbursement ceiling and replace that with a relatively low reimbursement floor.

The State of Illinois alone stands to lose about \$7 million, or 30 cents per meal, this year from the Federal Government as a result of these proposed new regulations. It is almost impossible for the State to make up that difference at this point. These regulations cause an even greater hardship because they were announced only a few weeks before the opening of school. Clearly, it is impossible for a State or school district to budget for a whole year on a few days notice.

In addition, many States will suffer, because they will now be prevented from shifting funds between programs. In Illinois, our flourishing breakfast program will have its funding cut in half during the school year if these regulations become effective.

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Therefore, today I strongly support Senate Joint Resolution 157.

Mr. HART. Mr. President, we often rise in the Senate and begin our remarks by complimenting the chairman of the committee who brings a bill before us. I suspect that sometimes our hearts are much more in those compliments than other times.

But today I hope the chairman of the Senate Agriculture will accept the fullness of heart with which I thank him; thank him for assuming the leadership in finally coming to grips with a problem that has plagued us since 1962 and that has been crying for just such leadership. He is moving decisively, in his role as chairman of the Senate Agriculture Committee, to see that the will of Congress with respect to feeding hungry children is heard at the other end of Pennsylvania Avenue. He deserves the profound thanks of all of us who have with such frustratingly meager results knocked on the door of the Department of Agriculture.

Since the proposed new regulations of the Department of Agriculture were announced on August 13, 1971, I have heard from many schools in Michigan and from the State Department of Education protesting this backward step at a time when every effort is being made to reach more of Michigan's needy children with a school lunch.

Mr. President, I support this resolution which directs the Secretary of Agriculture to use section 32 funds to the extent necessary to assure every needy child of free or reduced price lunches, until a supplemental appropriation may provide the necessary funds. This step is evidently required to make a reality—a year late—of the President's promise to see that by Thanksgiving we would be feeding all hungry children. Certainly it is required so that the people of this country may believe that their Government will deliver on its promises.

Mr. CANNON. Mr. President, I join with Senator Talmadge and other Members of this body in urging that Senate Joint Resolution 157 be adopted so as to insure that the intention of Congress as well as the purpose of the National School Lunch Act is carried out.

I was quite surprised when I discovered that the Department of Agriculture had issued proposed regulations during the congressional recess which reduced the reimbursement rate per meal to 35 cents in view of the fact that the average cost of meals is somewhere above 50 cents per meal. This action was particularly surprising in view of the earlier Presidential commitment insuring that every need child in this country receive a free or reduced-price meal by Thanksgiving 1970.

It is particularly disturbing to minority groups, to school lunch supporters, and other allies of the poor to witness the kind of retreat this administration is adopting toward the school lunch program. If these proposed regulations are permitted to take effect, our school lunch program in Nevada will be very hard hit and expansion drastically curtailed. The lunch program in Nevada is really just getting off the ground in our largest county, and I would hate to see the Department of Agriculture cut back on their financial contribution at this crucial time. It was my understanding that the Congress as well as the administration had made a strong and firm commitment to hungry children throughout the Nation.

So I strongly urge that this resolution be adopted today and that the President and the Secretary of the Agriculture reevaluate the proposed regulation in light of the action taken by this body today.

Mr. BROOKE. Mr. President, I rise today to express my concern over the actions which the Nation has witnessed in the past several months with regard to the implementation of the school lunch program.

The Congress has made it crystal clear that it is willing and eager to support the priority of this administration for assuring that no child will have to learn on any empty stomach. The strong support for this policy during the last part of the previous school year made the distribution of thousands of lunches to needy children a reality. Local school districts were excited at the prospects. They began to gear their programs to expansion and innovation—to an emphasis on feeding those most in need. They were receiving adequate assistance from the Federal Government and for the first time were able to do what they should have done years ago.

Encouraged by the levels of Federal support in the last school year, these local districts and State coordinating agencies developed programs for this school year which dramatically included more of the Nation's poor children. In addition, legislation passed by the Congress last year provided a clear legislative mandate to

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support administration efforts to feed poor children in the public schools. "Any child who is a member of a household which has an annual income not above the applicable family-size-income level set forth in the income poverty guidelines shall be served meals free or at a reduced cost." The key phrase was: "Shall be served meals free or at a reduced cost."

This is now law, and the State and local agencies are willing and eager to comply with this law.

But suddenly, we seem to have witnessed a change of heart. The States and the Congress are now told that they must accept restricting guidelines, because the funding for the school lunch program at its present level is inadequate to meet the high demand. We are now told that we must pull back in our efforts to feed every hungry child, or else place the cost burden on the already overburdened local communities. With the tremendous spending deficits which most inner-city school systems are sustaining, and the pressure on rural areas just to provide education and facilities, the added financial responsibility which the Department would place on these systems cannot be accepted or honored.

At the end of the last school year the States were receiving 12 cents reimbursement for every regular lunch and 42 cents reimbursement rate for free lunches. The rates which are to become effective would reduce the rates to 5 cents for every regular lunch and 30 cents for every free or reduced-price meal. Added to this is the restriction placed on the use of section 32 funds.

In my State of Massachusetts the legislature passed last year a most far-reaching law. It would insure a free lunch to every child enrolled in a school in the State by the fall of 1973. With the help of the Federal Government this program was moving forward with speed and promise. With the new regulations, however, disaster is presently facing the programs already in effect. Not only will the communities have to pay approximately 13 cents per free lunch, but the State will not be able to use section 32 funds for the purchase of much needed equipment in order to bring more schools into the program. Last year the nonfood assistance funds were doubled by the use of some section 32 moneys which extensively expanded the program. With 1,305 schools in the State without any lunchroom facilities or central kitchens, whatsoever, such funds are essential. The new regulations, however, place a freeze on section 32 funds. They will be used to supplement the need for funds under section 11, and, will be used once the expenditures can be determined, probably some time in August of next year.

Mr. President, I am greatly disappointed over the retrogressive role of the Department of Agriculture in the present situation. It seems inconceivable to me that the Department has flatly refused to fund the school lunch program at a level adequate to meet the needs of our Nation's schoolchildren. Over the strenuous objections of Members of Congress, school administrators, teachers, and parents alike, the Department has preferred to use its resources to benefit the producers rather than the consumers. The numerous hearings held before the Select Committee on Nutrition and Human Needs and the Department of Agriculture have not made a significant impression on the Department. I can only hope that our positive action today on Senate Joint Resolution 157 will bring with it the force and impetus needed to cause a change of heart and a change in policy.

It is with these concerns in mind, and particularly keeping in mind the needs of the millions of children between the ages of 6 and 16 who must go to school each day with empty stomachs, that I urge support for this resolution and a speedy implementation of a full and effective school lunch program.

Mr. GAMBRELL. Mr. President, I urge that Senate today adopt Senate Joint Resolution 157 to require the Department of Agriculture to restore cutbacks in the school lunch program.

It is my privilege to be a cosponsor of this legislation with Georgia's senior Senator, Herman E. Talmadge.

In August of this year, the administration announced regulations proposing to cut the Federal school lunch program by approximately 20 percent. In the case of many Georgia school systems, this would require abandonment of the program.

The alarm was sounded from every corner of the country and an investigation was immediately commenced. The legislation was introduced last week, and has been brought before the Senate with uncommon speed. This is a testimonial not only to the urgency which the Senate attaches to the issue, but also to the leadership furnished by Senator Talmadge and his Committee on Agriculture.

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The school lunch program was established during the depression of the 1930's by the late Senator Richard B. Russell. Its benefits have been extended to thousands upon thousands of children of all races and creeds in bad times as well as good.

It has served the country well and should be sustained at not less than current levels.

Mr. CASE. Mr. President, I am pleased to join Senator Talmadge in supporting Senate Joint Resolution 157, a resolution that will help assure free or reduced price lunches to all needy children.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement I made on the Department of Agriculture's revised regulations for the school lunch program.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

STATEMENT BY SENATOR CASE ON REVISED DEPARTMENT OF AGRICULTURE
REGULATIONS FOR SCHOOL LUNCH PROGRAM

The Department of Agriculture's revised School Lunch Program regulations will not serve the needs of our nation's needy children. The Department's regulations create a subsidy for children who can afford to purchase lunches at the expense of those who cannot pay for lunches. In creating this form of subsidy, the Department of Agriculture has destroyed the flexibility in the Lunch Program that allowed State officials to feed low income school children properly. In short, the revised regulations prevent the expansion of the program where the need is greatest, a regulative action directly contrary to the intent of Congress.

Because of these regulations, new and necessary programs will be seriously set back. The School Breakfast Program will be especially hard hit in New Jersey. This program benefited from the transfer of funds from the School Lunch Program, now prohibited under the new Agriculture Department regulations. New Jersey planned to expand this program so that school children who came to school hungry would have a nutritionally adequate morning meal.

Educators have pointed out that children who come to class hungry are poor learners. New Jersey was preparing to add twenty-five schools to the breakfast program, allowing them to serve an additional 10,000 low income children. Now this cannot be done. Some schools have implemented a stop gap measure. Children are being fed luncheon as early as 10 A.M. in the morning, in an effort to make one meal do for two.

Another program seriously affected by budgetary cutbacks is the Special Food Service Program. This program helps pre-school children in day care and child care centers. We initiated this program last year and under it we were able to assist 6,000 children from low income families in New Jersey.

There are over 150,000 pre-school children of such families in New Jersey. The restrictions mean that New Jersey will be able to serve only an additional 1,500 of them this year.

At the same time that new funds are being restricted, the Office of Management and Budget will not authorize the use of existing money that was left over from the Emergency Summer Lunch Program. Joined by my colleagues in the Senate, I strongly supported the release of funds earlier this year to feed children during the Summer months. We succeeded in this effort but, because we had a late start, \$300,000 remained unexpended in the program in New Jersey. If this money were released to New Jersey, New Jersey could feed twice the number of needy pre-school children. I am writing to Budget Director George Shultz urging him to release this money at once.

I am confident that my colleagues in the Senate will join me in this effort to secure the release of these funds as they have in the past.

Mr. SPONG. Mr. President, I support Senate Joint Resolution 157, which is designed to assure that every needy schoolchild will receive a free or reduced price lunch as required by legislation which this Congress enacted last year. I commend the distinguished Senator from Georgia (Mr. Talmadge) for his prompt action to meet a crisis situation in the school lunch program.

For more than 20 years, we in Congress have made efforts to improve the nutritional levels of thousands of American schoolchildren. Last year, in the passage of the National School Lunch Act Amendments, we took a giant step toward the elimination of hunger among the schoolchildren of our Nation. This action came in response to extensive hearings in which the effects of hunger and malnutrition on children and their educational endeavors were widely documented. It came in response to the visits which a number of Senators, including the Senator from Georgia and myself, made to view various school lunch programs.

The question now is whether or not we are willing to put actions where our words have been.

The question is whether we are willing to take a stand or to see a program emasculated by administrative regulations—regulations which are clearly at odds with the stated intent of Congress.

We are all aware of the financial difficulties facing our Nation. We are all aware of the need for budget-cutting and restraint in spending. But, I believe that in trimming our budget we must follow some set of priorities and I do not feel

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that those priorities place children in need of a hot lunch at the bottom of the list.

The administration has claimed that its proposed regulations will result in a more equitable distribution of school lunch funds among the States. I sympathize with their objective. But, I do not feel that the reductions which will occur in the school lunch program if the proposed regulations are allowed to go into effect are the correct way to achieve equity.

Furthermore, the timing on the announcement of the proposed new regulations was shameful. The new proposals were made within several weeks of the time school was scheduled to start, at a point when they could do nothing, but play havoc with school budgets. As one who has long been interested in advanced funding which would allow our school districts to plan ahead, I resent the timing on the issuance of these regulations.

Congress moved in the right direction last year in passing the National School Act Amendments. It also, at that time, made a commitment to the American people and to the schoolchildren of that Nation. I believe we should continue in that direction and honor the commitment which we made.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. I yield 5 minutes to the distinguished Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. MAGNUSON. Mr. President, I have a statement which I wish to place in the Record in full but I was fortunate enough to be here when the Senator from Vermont and the Senator from Nebraska made their statements.

The question I was going to ask of the chairman of the committee is whether there is any assurance at all that they would spend these funds under the resolution and, of course, there is not.

My purpose in speaking for these 5 minutes today is to go further down the line and discuss the administration's decision not to implement Public Law 92-32, section 6 and its decision to impound \$20 million appropriated by Congress for the emergency food and medical services program. We can appropriate this money, but they will sit on it. The Senator from Vermont pointed out sometimes it is very difficult to know who is sitting on it. But we have no assurance in this field that if and when we appropriate funds as recommended—which I think we will and I hope we will—that the administration will spend it, or how they will spend it, or whether they will withhold it here or spend it over here. I have a hunger problem which we are suffering within four counties in my State where there is 17-percent unemployment.

It is a hunger problem. The people are lined up in the streets. The Department of Agriculture said that food stamps are going to be sufficient. But they are not. A great number of people, particularly people living on social security, cannot afford the \$80 to buy food stamps. They have to pay their rent first. They have to pay for heat and light, so they have a place to live. There are hunger lines all over Seattle. The churches in four counties in my State have gotten together and are distributing free food at 35 checkpoints. There are pictures in the newspapers two or three times a week showing the people lined up. Congress appropriated \$20 million to feed people in areas of high unemployment. I say to the Senator from Vermont that the administration has impounded these funds and refuses to use them to feed hungry people.

The law is clear. We passed a bill, before we recessed, which provided they could distribute the food without regard to whether or not it was under a food stamp program or under a system of direct distribution, or both.

What do we do in a situation like that? I think Members of this body have done a great job on the school lunch program. It is one of the best programs we have in the United States, or would be if it were administered correctly and they spent the money Congress appropriated. This is the real problem.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. If my information is correct, the full amount which was appropriated for the school lunch program will be spent, and if the limit is raised from 30 to 40 cents, or whatever we make it, then the Appropriations Committee will be expected to appropriate enough to make up the difference. However, I would like to know who withholds funds when they get out of Washington. Somebody has a reason for it. And why did they put the blame on the administration?

Mr. MAGNUSON. The Appropriations Committee ought to be able to find out.

Mr. AIKEN. I think it ought to.

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Mr. MAGNUSON. I have received letters like those received by the Senator from Nebraska saying "We are going to spend it," but it is not, or it is maladjusted, or something happens.

I am going to put a statement in the Record which deals with the problem we are dealing with here—hunger. I have a history of the hunger problem and many documents related thereto. I have letters in the same tenor, saying, "We are going to spend it." But it does not happen. It is high time, I think, that it was spent. Right or wrong, if Congress appropriates the money and says "We want it spent for these people," it should be spent. There are some rare cases where the administration should impound money, but when we get into the field of school lunch and hunger, that is something else.

The Senator from Nebraska talked about time. Time is of the essence in this case. There are hunger problems all over. When one is hungry, he is hungry, and he cannot wait while some bureaucrat writes letters back and forth.

I think we have here the finest program concocted in the United States, and I include Headstart and all the other programs in HEW. All I want them to do at OMB is to spend the money we have appropriated for that purpose.

My people are lined up this very weekend. There is food in the warehouses. The Senator from South Carolina saw that 2 months ago. The food is stacked up in the warehouses. They will not distribute it to hungry people. What good is writing letters back and forth?

Mr. President, I applaud the work of the Senate Agriculture Committee and its distinguished chairman in expediting the consideration of Senate Joint Resolution 157 in order that free and reduced priced lunches will continue to be available to schoolchildren.

I understand deeply the frustration felt by Senators concerned about the question of hunger. This summer, I asked the Secretary of Agriculture to implement section 6 of Public Law 92-32. This provision authorized the use of \$20 million of section 32 funds for the purpose of:

Carrying out in any area of the United States direct distribution or other programs, *without regard to whether such area is under the food stamp program or a system of direct distribution*, to provide, in the immediate vicinity for their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food. Food made available to needy children under this section shall be in addition to any food made available to them under the National School Lunch Act or the Child Nutrition Act of 1966. Whenever any program is carried out by the Secretary under authority of the preceding sentence through any State or local welfare agency, he is authorized to pay the administrative costs incurred by such State or local agency carrying out such program.

The Department of Agriculture has flatly refused to implement that section of the law. In Seattle, Wash., Neighbors-In-Need, a volunteer church group, gives donated foods to 8,000 people a week and turns away an additional 12,000 hungry Americans. We have a hunger crisis in my State that the food stamp programs cannot meet. We have documented the fact that 40 percent of the people eligible for food stamps are not in the program, because of a number of reasons, basic of which is a lack of disposable income. They cannot afford to buy food stamps.

These are the new poor many of whom held, until recently, high-paying jobs and were respected members of the community. My State is in a depression and yet the Agriculture Department refuses to respond with commodities or free food stamps as Public Law 92-32 clearly permits.

Mr. President, I am a man who refuses to take the answer "no" easily, especially when that "no" means that thousands of my people continue to suffer severe hunger and malnutrition.

After the Department of Agriculture refused to act, I amended the Labor-HEW appropriation bill in order that \$20 million could be transferred to OEO's emergency food and medical services program. This \$20 million was to be used in areas of high unemployment as an emergency measure.

What happened to that \$20 million that was unanimously approved by the Congress in order to feed hungry people? Nothing.

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It is now being held in budgetary reserve. I appealed that decision to the President of the United States for in the final analysis, he is in charge of OMB. The answer I got back was the same—no relief, no implementation of either of these laws passed by the Congress to aid those not aided under other provisions of the law.

It is a slap at every Member of Congress. I wanted today to tell the distinguished chairman of the Agriculture Committee that I share his concern about this administration's lack of concern and its unwillingness to implement the law as passed by the Congress.

We have passed the law, appropriated the funds and pleaded for action but nothing has happened except slight changes in regulations. This administration seems to follow an economic policy planned to cause high unemployment. At the very least it could have the decency to feed the victims of their policies. Never in my career in public life have I seen such calloused attitude on the part of Government officials. I hope that the distinguished chairman of the Agriculture Committee can help me find an answer to this tragic problem.

Mr. President, I ask unanimous consent to insert in the RECORD several articles and letters on this issue.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON STATE LEGISLATURE,
Olympia, Wash., July 1, 1971.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: At a meeting called June 29 by the King County Democratic legislators and held in the office of Mayor Uhlman. It was pointed out that a tragic emergency exists in King and other depressed counties of the State of Washington. More than half the poor and hungry eligible for food stamps are unable to buy them because they have no money.

Local food banks cannot obtain government food stocks because of Agriculture Department rulings that such food will not be made available in counties with the food stamp program. Food stocks of many food banks are depleted. Thousands of adults and children are in actual hunger.

We propose immediate action to marshal every state and local resource, but urgently request you exert every influence at the national level to impress this tragic and emergent situation on those with authority to relax the present stringent and unrealistic rulings to immediately place food in the mouths of our state's poor and hungry.

Sincerely yours,

WILLIAM CHATALAS.

State Senators: Frank Connor, Fred H. Dore, Martin Durkan, George Fleming, Pete Francis, R. R. Grieve, Gordon Herr, and Robert Ridder.
State Representatives: John Bagnariol, H. Stan Bradley, Dave Ceccarelli, Donn Charnley, Albert Shlnpoch, Mark Litchman, King Lysen, and Peggy Maxie.
State Representatives: Gary Grant, John Merrill, John Rosellini, Al Williams, Robert Perry, John L. O'Brien, Jeff Douthwaite, and James McDermott.

PUBLIC LAW 92-32, 92D CONGRESS, H.R. 5257, JUNE 30, 1971

An Act to extend the school breakfast and special food programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National School Lunch Act (42 U.S.C. 1752) is amended by adding at the end of the Act the following new section:

"SEC. 15. (a) In addition to funds appropriated or otherwise available, the Secretary is authorized to use, during the fiscal year ending June 30, 1971, not to exceed \$35,000,000 in funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to carry out the provisions of this Act, and during the fiscal year ending June 30, 1972, not to exceed \$100,000,000 in funds from such section 32 to carry out the provisions of this Act relating to the service of free and reduced-price meals to needy children in schools and service institutions.

"(b) Any funds unexpended under this section at the end of the fiscal year ending June 30, 1971, or at the end of the fiscal year ending June 30, 1972, shall remain available to the Secretary in accordance with the last sentence of section 3 of this Act, as amended."

SEC. 2. The first sentence of section 4(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(a)) is amended to read as follows: "There is hereby authorized to be appropriated for each of the fiscal years 1972 and 1973 not to exceed \$25,000,000 to carry out a program to assist the States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in schools."

SEC. 3. (a) The first sentence of section 4(c) of such Act (42 U.S.C. 1773(c)) is amended by striking out "to reimburse such schools for the" and inserting "to assist such schools in financing the".

(b) The last sentence of such section 4(c) is amended to read as follows: "In selecting schools for participation, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist, to those schools in which a substantial proportion of the

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children enrolled must travel long distances daily, and to those schools in which there is a special need for improving the nutrition and dietary practices of children of working mothers and children from low-income families".

SEC. 4. Section 4(d) of the Child Nutrition Act of 1966, is amended by striking out "80 per centum" and inserting "100 per centum".

SEC. 5. Section 4(e) of the Child Nutrition Act of 1966 is amended by striking out the sentence reading, "In making such determinations, such local authorities should to the extent practicable, consult with public welfare and health agencies." and inserting the following: "Such determinations shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions; but any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at reduced cost. The income poverty guidelines to be used for any fiscal year shall be those prescribed by the Secretary as of July 1 of such year. In providing meals free or at a reduced cost to needy children, first priority shall be given to providing free meals to the neediest children. Determination with respect to the annual income of any household shall be made solely on the basis of an affidavit executed in such form as the Secretary may prescribe by an adult member of such household. None of the requirements of this section in respect to eligibility for meals without cost shall apply to nonprofit private schools which participate in the school breakfast program under the provisions of subsection (f) until such time as the Secretary certifies that sufficient funds from sources other than children's payments are available to enable such schools to meet these requirements."

SEC. 6. In addition to funds appropriated or otherwise available, the Secretary of Agriculture is authorized to use, during the fiscal year ending June 30, 1972, not to exceed \$20,000,000 in funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for the purpose of carrying out in any area of the United States direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food. Food made available to needy children under this section shall be in addition to any food made available to them under the National School Lunch Act or the Child Nutrition Act of 1966. Whenever any program is carried out by the Secretary under authority of the preceding sentence through any State or local welfare agency, he is authorized to pay the administrative costs incurred by such State or local agency in carrying out such program.

SEC. 7. (a) The first sentence of section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended to read as follows: "There is authorized to be appropriated \$32,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions."

(b) In section 13(c)(2) of the National School Lunch Act (42 U.S.C. 1761(c)(2)) after the first sentence insert: "Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to equipment and services."

Approved June 30, 1971.

U.S. SENATE,
Washington, D.C., July 9, 1971.

GEORGE P. SHULTZ,
Director, Office of Management and Budget,
Washington, D.C.

DEAR MR. SHULTZ: As a co-signer of Senator Case's letter regarding the Summer Lunch Program, I was extremely pleased that the President has decided to use Section 32 in order to provide the necessary funds for this program.

Under Section 6 of recently enacted amendments (P.L. 92-32) to the National School Lunch Act \$20,000,000 in funds is authorized from Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to be used for the purpose of:

"Carrying out in any area of the United States direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food. Food made available to needy children under this section shall be in addition to any food made available to them under the National School Lunch Act or the Child Nutrition Act of 1966. Whenever any program is carried out by the Secretary under authority of the preceding sentence through any State or local welfare agency, he is authorized to pay the administrative costs incurred by such State or local agency in carrying out such program."

Thus, the language of Section 6 clearly authorizes funds to be used to supplement the existing food stamp program. The most just and fair form of distribution of funds authorized under Section 5 would be according to the need of a particular area and according to the severity of existing economic conditions facing that area. I, therefore, urge you to give first consideration to Washington State which is suffering from economic conditions worse than those experienced during the Great Depression, and the severest rate of unemployment in the United States except for Alaska.

I am writing the Governor of my state urging that Washington State immediately apply for Section 5 funds now that the Administration has made it clear that it will use these funds to implement P.L. 92-32.

Additionally, I am concerned about statements made by the Regional Director of the Department of Agriculture regarding the legality of having both a food stamp and a supplemental feeding program operating at the same time in any single county. Senator

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Hollings advised me that in Beauford and Jasper Counties of South Carolina three food programs are in simultaneous operation (food stamps, supplemental feeding and free food stamps).

As previously mentioned, Washington State faces a severe economic emergency and if a three-part program is or will be possible under existing law P.L. 92-32 and P.L. 91-671 or under demonstration or test programs, then I urge that the hardest hit areas in Washington State be considered for such a program.

Your immediate attention to this grave program facing needy and hungry citizens in Washington State will be most appreciated.

Sincerely,

WARREN G. MAGNUSON,
U.S. Senator.

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C., August 4, 1971.

Hon. WARREN G. MAGNUSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: Thank you for your letter of July 9, 1971, regarding Public Law 92-32. You suggest that the broad language contained in Section 6 of that act provides authority for distributing commodities in the State of Washington.

Senator Allen, the subcommittee chairman and floor manager of this legislation in the Senate described Section 6 as "the program under which supplemental foods are made available to pregnant women, nursing mothers, and infants." (Congressional Record, June 23, 1971, page S. 9744). We are advised by Agriculture Department that supplemental food program for pregnant women and infants is already operating in King County, Washington, under the authority of identical legislative language. That program is presently operating at only one-third of its authorized level of 1,500 participants, and therefore, there is no need at this time, to use funds provided under Public Law 92-32 for its expansion.

The Department of Agriculture does have general authority to distribute commodities in areas where the food stamp program operates, provided that no household may participate in both the food stamp and commodity programs simultaneously. When the two family feeding programs operate concurrently they must use identical eligibility standards. Therefore, anyone who may be benefited by a concurrent commodity program is already eligible for the food stamp program.

The food stamp program in Washington has expanded many-fold in response to the current severe economic conditions in the State.

Food stamp outlays in the State have increased six-fold and participation has tripled in the past 24 months.

Year ending June, Federal food stamp outlays, number of participants

1969, \$6,629,697, 89,135 (June).
1970, \$18,870,753, 221,710 (June).
1971, \$44,250,000 (est.), 263,259 (June).

I can assure you of the President's concern that needy people should not suffer from hunger due to insufficient food. Therefore, careful attention will continue to be given to identifying and eliminating such occurrences within the broad authorities provided by Congress.

Sincerely,

GEORGE P. SCHULTZ, Director.

TESTIMONY BEFORE THE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

Mr. Chairman, members of the committee: For years Americans have been hearing that other Americans were suffering from hunger and malnutrition. This committee knows that story well for it has been compiling the evidence for more than two years. This Congress has listened to that story and, as you know, has taken important action to write a new ending to that story.

But the executive agency charged by the congress with the responsibility of providing an adequate diet to hungry Americans—the Department of Agriculture—has apparently not heard that story. Nor is it prepared to implement legislation passed by the Congress to feed hungry people. And—most intolerable of all—it even refuses to listen to the story or to acknowledge the existence of hungry people.

I make these criticisms, Mr. Chairman, based on a meeting which I and other members of the Washington State Congressional delegation had last Thursday in my office with Assistant Secretary of Agriculture Lyng. We called Mr. Lyng to my office, Mr. Chairman, to ask that the Department implement Public Law 92-32, passed by the congress on June 20th, and—more specifically—to implement section 6 of that law for which you and Senator Hart are primarily responsible.

The committee, of course, is fully aware of section 6 of this new law but for the sake of a clear record let me briefly summarize that section. It authorizes the Secretary to use \$20 million of section 32 funds—and I quote from the law itself—"To provide . . . an adequate diet to needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food."

Furthermore, the language of section 6 makes it perfectly clear that the additional food assistance it authorizes can be made available to areas which also have food stamp programs or to needy children already participating in the school lunch program. Moreover, the law also authorizes the Secretary to pay the administrative costs incurred by State or local agencies which administer this additional food assistance.

Mr. Chairman, when you and Sen. Hart introduced the amendment—which became section 6—to provide the \$20 million you stressed the high unemployment and severe economic conditions in many parts of the country which made such assistance necessary. I support that idea entirely.

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This \$20 million—which of course is only a very minute portion of the \$700 million in section 32 funds—should be allocated by the Department of Agriculture to the areas of the highest and most prolonged unemployment. And it should be allocated in ways that best accommodate local programs and capabilities. Although the supplemental food program was one of your immediate concerns, the language which you used in writing section 6 is flexible enough to authorize a variety of food assistance efforts. Officials in my State, for example, are drafting proposals to use section 6 funds to make the food stamp program available to more families as well as to improve and expand existing supplemental feeding efforts with both food packages and food vouchers. These supplemental efforts would be directed specifically to assisting pregnant women and young children who are especially vulnerable to malnutrition.

Mr. Chairman, it was with section 6 of the new law in mind that we asked Mr. Lyng to meet with us last week. And it was in an effort to impress upon him the need for this additional food assistance in our State that we told him:

That a voluntary food bank program in Seattle organized by churches and supplied by voluntary donations of groceries is feeding 8,000 people every week.

That organizers of that program estimate that they could feed up to 20,000 people every week if they had enough food.

That there are 97,000 unemployed people in the Seattle area making its current unemployment rate 15.2 per cent—the highest of any of the 150 major labor market areas in the Nation.

That there are 164,000 unemployed people in the State making its unadjusted unemployment level 11.6 per cent and its seasonally adjusted rate 12.5 per cent.

And that visitors from other States tell us they have never visited any other place where food—just plain ordinary food—was such a constant concern of so many.

In response to these stark facts and our pleas that the Department use the \$20 million of section 32 funds authorized for additional food assistance programs in section 6, Mr. Lyng had two responses. Both negative.

First, he flatly rejected our plea to implement section 6 despite the fact that it can be considered no less than a congressional mandate for Executive action. Second, he expressed the Department's official opinion that there are, in fact, no hungry people in my State who cannot now afford to purchase food stamps. That opinion, Mr. Lyng informed us, was based upon a Department survey of Washington. Mr. Chairman, to the best of my knowledge the only USDA official to survey my State was one man from the Department's regional office in San Francisco who spent two days in Seattle last month.

The Department apparently assumes that this two-day visit by one official to one part of Washington affords it an understanding of the needs of hungry people in my State which is more complete than that held by all of the State's elected representatives, its newspapers which have detailed the tragedy of hunger in numerous news stories, and its citizens who write to me daily to express their disgust with an administration which will not feed hungry people.

Mr. Chairman, I reject that assumption. And I reject the Department's conclusion that the food stamp program alone is meeting or can meet the needs of all the hungry people in my State despite the fact that it is experiencing unemployment starkly reminiscent of the 1930's.

As early as 1969, a survey of the food stamp program in Washington—prepared I believe for this committee—estimated that 164,000 households or about 442,000 individuals were then potentially eligible for the food stamp program. Mr. Chairman, in 1969 unemployment in Washington State never rose above 5.9 per cent. Today it is 11.6 per cent—almost double the 1969 peak. If 164,000 households were potentially eligible for food stamps in 1969 when the unemployment rate was half of the present rate I should think that about twice as many would be eligible now when unemployment has doubled.

And yet, we find that there are only 90,000 Washington households—or about 263,000 individuals—receiving food stamps today.

Furthermore, families which were once using food stamps are now being forced to drop out of the program because they can no longer afford to participate in it. The *Seattle Times* reported a poll of families using the church-sponsored food banks which showed that 38 per cent of them had originally been receiving food stamps but can no longer afford them. Increasingly, the answer given by hungry people not using food stamps is that they simply cannot afford to buy into the program.

Even those families able to purchase food stamps find their basic nutritional needs are not being adequately met. As this committee knows, a family of four receives stamps worth only \$106 per month. Yet even the Department of Agriculture acknowledges that at least \$134 per month is needed for an adequate diet. Recipients in Seattle, which has the fourth highest cost of living and the highest unemployment in the Nation, find this \$106 limit both inadequate and unrealistic. Nor will the new food stamp schedules make any meaningful difference to hungry people in Seattle and throughout Washington. Raising the monthly allotment by only \$2 while requiring many participants to spend more for their stamps epitomizes the kind of economic double-think which we have become so accustomed to hearing over the past 2½ years.

Assistant Secretary Lyng also argued in our meeting last Thursday that food stamps are only a diet supplement and should not be viewed as a form of income maintenance. Unfortunately, Mr. Chairman, in the midst of those semantics Mr. Lyng overlooked the fact that thousands of unemployed people in my State have no *basic diet* to supplement.

Food stamps are their diet—their entire diet—and food stamps are simply not enough. Despite the fact that the Washington State food stamp program has consistently been praised as a model program.

Mr. Chairman, that is the conclusion which I and other members of the Washington congressional delegation reached as far back as last December—seven months ago. And for seven months we have been urging the Agriculture Department to act on that fact.

In December we urged the Secretary to expand statewide the food supplement program or the pilot food certificate program—each operating on a very limited basis in a single county in Washington.

In January the Secretary responded by asserting that the food stamp program could provide for all hungry Americans. After repeating the same request and receiving the same

1968

answer from the Department, I sent a member of my staff together with a State welfare official to meet with the Administrator of the Department's Food and Nutrition Service. Once more the Department was urged to expand either the supplement food program or the pilot food certificate program. And once more the Department refused.

The Department, it seems, has concluded—on the basis of another *survey*—that the food certificate program is an ineffective one which should not be expanded. The Department reached this conclusion despite the fact that the pilot project in my State, which State officials tell me has been a good program, was not even included in the survey. In fact, as I'm sure the committee knows, the Department's survey included only 2 of the 5 pilot projects.

In May, I joined with many members of the committee and with other Senators to protest that the proposed food stamp regulations would eliminate many needy Washington citizens—including many of the elderly—from the already inadequate food stamp program.

Also in May, Mr. Chairman, I urged that the FY 1972 appropriation for the food stamp program be raised, and joined in co-sponsoring your proposed food stamp bill, S. 1773.

In June, I asked the Secretary to solicit specific recommendations from the regional officer who made that *two-day survey* of Seattle as to how additional food assistance could be made available to my state.

Just a few weeks ago I joined with other Senators to obtain the release of funds for the summer lunch program.

Last Thursday I met with Assistant Secretary Lyng.

That afternoon, after the disappointing meeting with Mr. Lyng, the Senate adopted my amendment to the Agriculture Appropriations bill re-emphasizing that it was the intent of the Congress in passing P.L. 92-32 that \$20 million in section 32 funds be used to implement commodity distribution programs in areas where there is excessive unemployment even if they have food stamp programs.

And today I have come here to present once more the case for additional food assistance to Washington state.

Mr. Chairman, you know, the committee knows and I know that there are people in my state and in other states who are hungry. We know the food stamp program is not providing enough assistance to all those in need of it and that it will not be able to do so as long as unemployment and inflation continue to mount as they have during the past 2 years. And no amount of surveys is going to make those hungry people disappear or fill their stomachs.

Public Law 92-32—and especially section 6—demonstrates the Congress' awareness of these people and its desire to feed them.

My amendment to the Agriculture Appropriations bill underscores that awareness and that desire.

It is absolutely intolerable that the Department of Agriculture refuses to acknowledge these hungry people—and refuses to act upon the mandate which Congress has given it in the McGovern-Hart section of P.L. 92-32 and which the Senate re-affirmed last Thursday in unanimously passing my amendment to the Agriculture Appropriations bill.

FOR NEEDY HERE: SURPLUS FOODS MAY BE ISSUED

By Al Dieffenbach

Surplus foods owned by the federal government apparently can be distributed to the needy here, Senator Warren G. Magnuson said yesterday.

The food distribution would be in addition to the food stamp program. Up till now, counties which have used the food stamps have not been eligible for free surplus foods.

Church and welfare workers have complained that many persons are going hungry because they cannot afford to buy food stamps. Meanwhile, surplus food is stockpiled in warehouses.

In a letter to Clifford Hardin, secretary of agriculture, and George Shultz, director of the Office of Management and Budget Magnuson said:

"The language of Section 5 of the National School Lunch Act (Public Law 92-32) clearly authorizes funds to be used to supplement the existing food stamp program.

"Under Section 5 of recently (June 30) enacted amendments . . . \$20 million in funds is authorized . . . without regard to whether such area is under the food stamp program or a system of direct distribution."

Magnuson's announcement would seem to have broken the federal red tape that had prevented the distribution of federally purchased surplus food to persons in need in this economically depressed area.

As recently as last week, Department of Agriculture officials had maintained that federal rules prevented food-stamp and food-distribution programs in the same county.

Some of the surplus commodities had been made available to the hungry through organizations that agreed to cook and serve the food but not for direct distribution to the user.

Magnuson, who asked Hardin and Shultz to give priority to food-distribution programs in areas hardest hit by economic problems, also urged Gov. Dan Evans "to immediately expedite a request for these funds for Washington State, stressing the seriousness of existing economic conditions."

Magnuson said he and other members of the state's congressional delegation would seek to meet with Hardin this week on plans to put the food-distribution program into operation.

According to an aide to the state's senior senator, the Section 5 funds can be used to provide distribution of surplus food "either directly or through a state or local welfare agency."

Again citing the new amendment, he said that the secretary (of agriculture) is authorized to pay all of the administrative costs of the program.

The federal rule changes had been sought for months locally by hunger fighters who sensed that volunteer feeding programs supported by public donations of food and money could not continue to cope with the needs.

1969

The major volunteer feeding program here has been Neighbors in Need, a church-supported project in which an estimated 170,000 persons were given free food in the past six months.

The program may qualify as a "local welfare agency," Magnuson's aide said, and be entitled to receive the surplus food.

MAGGIE URGES COUNTY TO SEEK FOOD AID

Sen. Warren G. Magnuson urged yesterday that economically hard-hit counties in Washington apply for federal food distribution programs to supplement food stamps.

In letters to Secretary of Agriculture Clifford M. Hardin and Budget Director George P. Shultz, Magnuson insisted that Congress has provided for multiple food distribution programs in any single county and suggested that immediate consideration be given to an additional program for Washington State.

The Magnuson letters continued a controversy involving 40 U.S. Senators who have accused the Nixon administration of promoting a free lunch program for hungry children but not providing enough money to pay for it.

According to the senator, Congress has expressly provided that a county that has already selected either a food stamp or a commodity distribution program could still qualify for an additional program to feed hungry children and adults who are without sufficient food through no fault of their own.

Magnuson said that \$20 million has been authorized under this section of the law and that he is urging Gov. Dan Evans to submit appropriate requests to the Department of Agriculture for an additional food distribution program.

He added that he and other members of his state's Congressional delegation would seek a meeting with Secretary Hardin next week in an attempt to iron out any confusion in the department regarding the implementation of additional programs.

[From the Seattle Times, July 22, 1971]

IT IS OFFICIAL: NO SURPLUS FOOD FOR WASHINGTON

By Richard W. Larsen

The United States Department of Agriculture confirmed today that no surplus-food distribution program will be authorized in the state.

Richard Lyng, assistant secretary of agriculture, announced in Washington new regulations on the nationwide food-stamp program. Although the new program for the first time also would allow surplus commodities to be distributed in an area that has a food-stamp program, Lyng said this won't be done.

Lyng predicted last week that such would be the department's policy. The prediction provoked angry reaction in Washington's congressional delegation.

Senator Warren G. Magnuson today called the department's action "intolerable." Magnuson testified before the Select Committee on Nutrition and Human Needs.

Gov. Dan Evans implied today that he has given up hope of changing the minds of any one in the Department of Agriculture. He told a press conference he will talk with other administration officials to seek a policy change. Evans repeated that he plans to travel to Washington, D.C., but he didn't say when.

Lyng today outlined new program regulations that for the first time allow free distribution of food stamps. A family of four, with income of \$30 a month or less, will qualify.

But the cost of food stamps will rise for families that have higher incomes. A family of four, with an income of \$360 a month, previously could purchase \$105 worth of food stamps for \$82. Now that family will be able to buy \$108 worth of food stamps for \$99, Lyng said.

Lyng today officially stamped as U.S.D.A. policy the statement he made at last week's stormy meeting with Magnuson and the state's delegation in the House of Representatives:

There will be no "duality." No area will be certified for free-food distribution if it has a food-stamp program. Washington has a state-wide program.

Lyng said there is not enough money in the federal surplus-commodity budget to allow such a broadened program.

He added: "There is tremendous cost in setting up food-distribution facilities, which would have to be borne by the state." He estimated it might cost the state \$1.25 million to administer such a program, an amount the state can't afford.

Magnuson said today, "We all know the food-stamp program is not providing enough assistance to all those in need of it and it will not be able to do so as long as unemployment and inflation continue to mount."

Lyng made his comments during a press briefing in which he outlined the administration's new food-stamp policies. The administration backed off from a plan proposed in April to cut off 375,000 higher-income welfare families. Instead it reduced the stamp benefits to them.

The revised proposal will implement a new law passed by Congress late last year. Barring further hangups, officials expect most states and counties to have the new plan in operation by early 1972.

At present anyone on welfare in participating counties is eligible for government food stamps. In April, under new uniform national income standards proposed by the Agriculture Department, many persons in states with larger welfare payments would have been cut off.

Now all welfare people will be eligible for stamps regardless of their cash welfare benefits. Other provisions, relating to elimination of food stamps for hippie-type communes and other unrelated groups living in the same household, will be retained.

A controversial work requirement forcing able-bodied adults to register for and accept jobs in return for food stamps was retained. It was clarified to allow exemptions of persons whose health and safety would be jeopardized by work.

(The county executive received the impression that surplus food can be released under certain circumstances. B 1.)

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[From the Christian Science Monitor, July 24, 1971]

POLITICAL BATTLE LINES FORM: FEEDING WASHINGTON STATE NEEDY

By Robert P. Hey

WASHINGTON.—Another storm is beginning to blow up in Congress over Nixon-administration policies for feeding the needy, this time in the State of Washington. Senators and congressmen from the state say many Washington residents are hungry and without money—largely due to the severe economic recession in the state. They cite figures to support their position.

But as of this writing the administration has flatly refused to use federal emergency money to feed the people in Washington.

Thus the stage is set for a direct collision between Washington's Democratic Sen. Warren G. Magnuson, one of the most powerful men in Congress, and the Nixon administration.

It is reminiscent of the power struggle of a few weeks ago when it took pressure from nearly half the Senate to get the Agriculture Department to agree to use extra money it already had to feed hungry children this summer.

This time, however, those who wanted to pry the funds out of the administration may have a harder time mobilizing broad congressional support. Last time the issue was a nationwide program to feed children; this time, a program to feed people in the State of Washington.

MEETING HELD

Senator Magnuson and five congressmen from Washington attended the meeting; Sen. Harry M. Jackson (D) and the remaining congressmen were represented by staff aides. They went into the meeting with the quiet confidence that Assistant Secretary for Marketing and Consumer Services, Richard E. Lyng would agree to release some of the \$20 million in emergency funding, voted June 30, to feed needy persons in Washington.

The Washingtonians cited statistics to back up their requests. They noted that 164,000 people were unemployed in the state in May—1.6 percent of the total labor force. Over 70,000 persons exhausted unemployment compensation last year.

Senator Magnuson cited a church-feeding program in King County, a joint product of several churches. "It distributes donated food to anyone who says he is in need. They estimate they are now feeding 8,000 people per week. [They say they could feed 20,000 needy people if they had enough food.] They have served over 170,000 people in seven months."

But Assistant Secretary Lyng said no—he would not use federal funds to finance an emergency program to distribute surplus foods. The reason, he said, is that in his judgment there is no hunger in the State of Washington the food-stamp program cannot handle. He also said it is against the policy of the Agriculture Department to operate two food programs—food stamps and free commodities—simultaneously in one area.

EXPLANATION

(A Department of Agriculture spokesman explained Friday to this reporter the reasoning behind this policy: Food stamp and commodity programs are administered separately, and it would be too difficult, he said, to have to administer two separate programs in one area.)

Senator Magnuson said the commodity program is needed because there are many hungry people in Washington despite the food-stamp program. And, he said, South Carolina Sen. Ernest F. Hollings (D) had told him that in two South Carolina counties three food programs are in simultaneous operation—food stamp, supplemental feeding, and free food stamps.

Mr. Lyng replied, according to three participants present, that circumstances are different—there is hunger in South Carolina, but there is no hunger in Washington the food-stamp program could not meet.

"Further," Senator Magnuson says, "Secretary Lyng told us the department could see no circumstances in which they would utilize the authority [to provide emergency surplus foods] anywhere in the United States at this time."

REACTIONS VARY

Members of Congress from Washington emerged from the meeting with varying reactions. Senator Magnuson called it "the most callous meeting" he'd ever attended in his entire 35 years in Congress.

Washington Rep. Brock Adams (D), present at the meeting, said Secretary Lyng's "statements were incredible. I can't understand why the administration has made a policy decision not to release surplus commodities to Seattle, and I violently disagree with his statement that we do not have many hungry people in the area. If that is so, why do we have long lines of people trying to obtain food? The Nixon Administration is more worried about administrative problems than about people being hungry."

Senator Magnuson sputtered the next day of the Department of Agriculture that "they've apparently got their feet in concrete. . . . They were pretty hardheaded. There wasn't any awareness of anything—just an attitude of 'Let the food-stamp program take care of everything.'"

He said, "the evidence we have is that it is not—particularly for elderly people." The Senator didn't say what step he will take next. But those who know him do not doubt he will take one.

EMPTY STOMACHS NOT ENOUGH PROOF FOR U.S. OFFICIALS

By Ray Ruppert

Belief that there is hunger in the Seattle area is almost an act of faith. It rests upon things unseen more than upon objective evidence and upon the testimony of people who say they are hungry but whose experience cannot be measured or weighed.

1971

Those who have labored to give out food through the Neighbors in Need food banks for seven months are believers, accepting the witness of the embarrassed, reluctant people who come for food.

But officials in the federal Department of Agriculture are skeptics, unwilling to accept subjective evidence and looking for the statistical reports on the number of empty stomachs here.

And this conflict of belief vs. disbelief is really what is behind the Agriculture Department's refusal to allow distribution of surplus commodities in the Seattle area.

Why do volunteers accept hunger as a fact and why do some federal officials doubt it? The answer may be found in their opposite approaches to people who say they are in need.

The Rev. Alan Ward, a minister on the staff of the Ecumenical Metropolitan Ministry, sometimes paraphrases the Bible. Christ said (Matthew 7:9): "What man is there of you, whom if his son asks bread, will give him a stone?"

Mr. Ward puts that in his own words in advice to the food-bank volunteers: "Don't hand the folks a rock; feed them."

This means that any person who comes to a Neighbors in Need food bank and says he needs food is given food—if there is food to be given.

On this basis, the 34 food banks in the Seattle area are now providing food to an estimated 8,000 persons a week. This is based upon a schedule of 2½ hours a day, three days a week.

Mr. Ward estimated that if the banks were open five days a week, as they were in the beginning in November, 1970, they would be providing food to 15,000 to 20,000 persons a week.

What happens to those who are turned away?
"A lot of people are eating nothing but slices of toast," the Rev. Perry Harold O. Perry of the Fellowship of Christian Urban Service said.

More than half of those getting food are on some kind of government-aid program—public assistance, food stamps and so forth—which they find inadequate.

When the food banks give out, they get along with what they have or they ask neighbors or friends for food.

Mr. Ward said the basic philosophy of the food banks was based on a conviction that most people will not come after food unless they need it. The trouble of coming, the damage to personal pride, the limited food available all work against any extensive attempt at cheating, he said.

Mr. Perry commented, "There are relatively few people who will cheat. It takes all the courage a person can get to come to a food bank. To demean him with administrative tricks is absurd."

Such a view is not compatible with most governmental programs based upon some kind of means test to establish through statistics, investigation, questionnaires and statements that a person is in need.

In effect, the entire Puget Sound area has been subjected in recent weeks to a means test by U.S.D.A. officials—and failed. That's why federal officials have taken an adamant stand against releasing surplus commodities here.

Northwest officials, including Gov. Dan Evans and the Washington congressional delegation, had attempted to get into the surplus-food warehouses through two doors.

One was a direct approach, using a change in the federal Food Stamp Act which allows a state to have commodity distribution and food stamps.

That change will become effective when U.S.D.A. regulations are published, perhaps next week, although it may take several more weeks to make adjustments in the department.

The other Northwest approach was through an amendment to the National School Lunch Act, providing \$20 million for commodity distribution in areas which already have other federal food programs.

The man who barred both doors was Richard P. Lyng, an assistant secretary of agriculture. Lyng made it very plain on Thursday that the U.S.D.A. would not release surplus foods for general distribution here.

The new law is permissive but not mandatory as far as a dual operation in a state is concerned, Lyng told The Times.

"We have made the decision not to go on commodities," he said.

Behind this decision is a conviction that Washington now has an outstanding food-stamp program. Lyng called it "spectacular," noting that bonus stamps amounted to \$6.6 million in fiscal year 1969 and were up to \$44.2 million in fiscal year 1971.

The bonus is the difference between what the stamps cost the user and their money value in the grocery. That bonus varies according to the income of the family. Theoretically, it is the measure of the free food provided by the government to hungry people.

A sample of 100 families getting aid from food banks showed that 38 per cent had been getting food stamps but could not longer afford them. The cash was needed for other basic expenses.

Lyng said the department was "hard pressed to believe that anybody is suffering" because of hunger in the Seattle area. He said the administration recognized the area's economic situation but considered it an income problem rather than a food problem.

Lyng also said, "It's really not proper to solve an income problem through modification of what is already a good food program."

The new Food Stamp Law will provide free food stamps to those on the lowest rung of the economic ladder. A family of four whose monthly income is less than \$30 will get \$108 in free food stamps.

But the cost will go up at the other end of the scale. A four-person family with a monthly income of \$350—a little more than unemployment compensation—will be able to buy \$108 in food stamps for \$95.

These people—the so-called "new poor"—in particular, might benefit from surplus-commodity distribution. They would be able to get \$60 to \$65 a month in surplus food without putting out the \$95 in cash—which probably is needed for a house payment and other fixed expenses.

In any case, no family would be able to get both food stamps and surplus commodities.

Under the law, the state would have to pay the administrative cost of food distribution. But The Times has been told that financial assistance might be available from the federal government if there were "a hard enough pitch."

1972

This, however, has become somewhat academic as long as Lyng's position prevails. Probably, only two considerations would change the decision. One would be a reversal of government philosophy, founded, ironically, in the Protestant work ethic and the depression roots of feeding programs, that need must be proved objectively.

That's not likely. But U.S.D.A. philosophy might be bent a little because of political pressure, since Lyng is responsible to his superiors in the White House.

But that, too, may be difficult. One of the reasons the U.S.D.A. is reluctant to release surplus commodities is a belief that this would make difficult the eventual shift to a family-assistance plan which President Nixon wants. The conversion from food stamps would be much easier.

And, meanwhile, belief that there is hunger in the Seattle area is almost like an act of faith.

SPELLMAN SEES NIXON AIDE ON SURPLUS FOOD

County Executive John Spellman yesterday said "innovation and continued negotiations" apparently are the best tools to reach a middle ground in settling the dispute over release of surplus foods for the Seattle area.

Spellman met with Richard Lyng, assistant secretary of agriculture, in Washington, D.C., yesterday. He said they explored alternate solutions to the problem. Lyng had told Washington's congressional delegation Thursday that surplus commodities would not be made available here.

The County executive was called to the capital Thursday by Representative Tom Pelly "to discuss another matter."

During the conference with Lyng, Spellman said the reasons for the withholding of the surplus foods were discussed.

"I believe there may be some middle ground which will allow both food stamps and surplus commodities in our area," Spellman said. "That middle ground can best be reached by innovation and continued negotiations."

Spellman left the Capital today for Milwaukee to attend the National Association of Counties convention. He will return to Seattle Wednesday.

"LOOK HOW MANY ARE OUT OF WORK"

By Paul Andrews

Tom Lille is a soft-spoken, driven man who has given most of his own time for eight months to the patchwork job of keeping the Greenwood food station of Neighbors in Need in operation.

He sat in the office of the Oak Lake Baptist Church where the food bank is kept and flipped through a log of forms filled in by those who come for food.

"Here's one," Lille said. "A family of five. Applied for food stamps. It'll take at least a week for her to be processed . . ."

"Here's another woman, a family of six, mother's been ill. Here's one, family of four, applied for welfare . . ."

In other room, Lawrence Kabel put down a sack of groceries he had been given and said, with a shrug, "I don't mind talking about it. Look how many people are out of work in Seattle."

Kabel, 50, is a burly unemployed merchant seaman who lives in the North End with his wife and 16-year-old son. He was hungry.

"I know I'm not alone," he said, peering through his glasses, "These food banks are really needed around here these days."

Kabel found out about the food bank through a friend. The Oak Lake Baptist Church in the Aurora Greenwood area is one of 34 local food-bank outlets.

Kabel has been to the food bank only twice. He will receive \$35 a week until he becomes eligible in December for pension benefits. His wife works as a nurse's aide for \$1.80 an hour.

"By the time I make the home payments, and the lights and heat, there's not much left," Kabel said. "I don't like to use the food bank, but every now and then you need a few extra groceries."

"I'm not convinced that people do realize the need," said Lille, moderator of the Oak Lake church and food-bank manager.

"If you figure that 15 percent of the people of Seattle are out of work now, that still leaves 85 percent who are insulated enough from the hunger around not to realize how much it exists," Lille said.

Like Kabel, most of the 100 or more persons who file through the line at the Greenwood food bank daily have come only two or three times before. "I had anticipated that there would be many repeaters, but there haven't been," Lille said.

Some recipients come only during a family crisis involving money or illness, he said. Others, sensitive to the unstated but real social stigma attached to hunger, undoubtedly avoid the food banks until their hunger overcomes their pride.

Still the demand remains great. Food banks in the Central Area and University District continually run out of stock and are forced to close their doors, a situation the Greenwood outlet experienced for the first time last week.

"It's summertime, and the people who regularly contribute go on vacation for two or three weeks, so we don't get their contributions," Lille said. Fifteen Greenwood-area churches are "heavily involved" in contributing to the food bank along with some local food stores and service groups, he said.

But the shelves in the Greenwood food bank are sparsely stocked. There are signs with printed directions: "Please take only enough for your family for three or four days"; "Three items are hard to get. Please take one only."

"We've usually operated here on the basis of letting people help themselves," Lille said. "But lately we've had to limit them to one of each type of item."

1973

"Most people realize the limited supply of food and hesitate to take too much," he added. "We get people in here all the way from college age to senior citizens," Lile said. "Middle-aged people, between 40 and 50, would probably be the majority group." Many of those using the bank are waiting for the red tape to unravel in their applications for welfare or food stamps. A food-bank staff volunteer commented: "You wonder what those people would have done without the food bank for all these months." The hungry in Seattle are wondering the same thing.

STATE OFFICIALS BITTER AT SURPLUS-FOOD GIVE-AND-TAKE

By Richard W. Larsen

"Some people were playing politics with hunger," Gov. Dan Evans snapped in one of his frequent moments of frustration this past week.

The Nixon administration's decision on a hunger issue involving Washington State was "absolutely unbelievable," snorted Senator Warren G. Magnuson.

The issue: Should surplus food be distributed in this state for needy people?

It seemed like a question with an easy, humanitarian answer.

But as it was whipped through a transcontinental debate about laws and policies, the issue, question and answer seemed lost in a blur.

Puget Sounders, already in deep economic uncertainty, were lowered further into new bewilderment.

The action began with a request from some Democratic legislators that the governor do something about hunger. Food programs, Evans replied, were a federal matter.

The state's congressional delegation, led by Senator Warren G. Magnuson, focused on the problem of hunger and examined federal programs for food distribution.

Magnuson has immense political clout on Capitol Hill and his specialty is thumping agencies into action. So Magnuson set up a conference in his office, summoning top Department of Agriculture officials to talk over the facts about food programs.

Nearly all the state's congressional delegation showed up. Their objective: Find, then push the button to activate a special new \$20 million national program of commodity distribution—free surplus food for needy Washingtonians.

They expected success.

Hours earlier Governor Evans, in Jackson, Wyo., for a governors' conference, said he had been told such a program could be started within days. His source was Assistant Secretary of Agriculture Richard Lyng.

Lyng was the federal administration's spokesman at the Magnuson meeting. It was scheduled for 15 minutes. It simmered, then heated through an hour and 15 minutes, finally ending in a boilover of exasperation.

Magnuson and the congressmen focused on a new law in force since June 30: the so-called Hart Amendment, named for Senator Philip Hart, Michigan Democrat.

In its usual technical language, the law authorizes use of \$20 million in so-called "Section 32 Funds" to carry out "in any area of the United States, distribution or other programs, without regard to whether such area is under the food-stamp program, or a system of direct distribution . . ."

Also, the law directs that the program provide ". . . an adequate diet to needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger . . ."

It also says the federal government may pick up the tab of administering the program—a big item for the budget-squeezed state, counties and cities.

The Hart amendment program has another special value: It allows a food-stamp program and a food-distribution program to go on simultaneously in one area. That quality previously was forbidden in law.

Washington has a food-stamp program. Thus it was ineligible previously for a commodity-distribution program.

Lyng told the congressmen that a federal nutrition official from San Francisco had visited the Puget Sound area. He saw economic trouble, Lyng said. But he added, "We have yet to have anybody substantiate that the food-stamp program fails to meet the problems."

"In the State of Washington we have what is probably the outstanding state food-stamp program anywhere," Lyng said.

Recipients prefer food stamps. The stamps can be used for shopping in most food stores, to buy all foodstuffs. The selection is better. The nutrition is better.

The surplus-commodity program, though free, is limited only to those commodities in the federal stock at the time.

But, Magnuson wondered, why not use the Hart Amendment authority? Giving out surplus food could help those middle-class unemployed of Seattle—those whose income has diminished, but still is not low enough to qualify them for the bargain-basement food-stamp program.

The assistant secretary cited budget problems: Section 32 money—source of the Hart Amendment's \$20 million—is limited. Most of it already is committed to other food programs.

If a special program were started in Washington—and Lyng repeated it really wouldn't offer much help beyond food stamps—a precedent would be set.

And the \$20 million—a "drop in the bucket" nationally, he added—would evaporate quickly as it began moving into other pockets of distress.

Lyng thought the intent of the Hart Amendment was to expand a special feeding program for such recipients as expectant mothers and infants.

Magnuson and his congressional colleagues replied that the law is broader: It talks about "persons."

Men are out of work. Paychecks stopped. Savings accounts dwindled. Mortgage payments or rent continue, along with other living costs. Many families are caught in that set of problems and they could be helped by food distribution, Representative Brock Adams, Seattle Democrat, said.

1974

The delegation argued: 1. The legal authority is there; 2. The money is there; 3. There is a need for the program in the state. With tempers rising, there was talk, too, of a new law, which probably will come into operation within days.

It will, for the first time, allow dual programs: Food stamps and the general national surplus-commodity program will be allowed in the same area. (A household, however, cannot receive both stamps and free food.)

That offers an even more broadly funded program than the Hart-Amendment program. To participate, though, this state would have to be certified by the secretary of agriculture. But Lyng said Washington would not be certified for that program, either.

An angered Magnuson asked Lyng if he were laying down an interpretation of the law. Or, Magnuson asked, "Is this a policy decision?"

Lyng replied it was a policy decision. There was no yielding, no political salving, no suggestion that it would be taken under consideration. It was a flat "no."

Magnuson and the congressman seethed. They concluded that the Nixon administration again was denying the ailing Puget Sound area.

After the meeting even Representative Thomas M. Pelly, of Seattle, the lone Republican in the congressional delegation, criticized the decision. Lyng's performance, he said, was "just awful."

Meanwhile in Wyoming, The Times informed Evans of the decision. He, too, was angered. Already that week he had had a spat with the administration: "He complained Tuesday that with the state bleeding economically, the administration was offering 'Band-Aid treatment.' Now this!"

Evans telephoned Lyng. There was animated conversation. Afterward Evans told The Times that Lyng had taken full responsibility for the change in decision—the turn around after Lyng's earlier prediction there would be a food-distribution program.

In controlled tones, Evans said the Department of Agriculture was showing a reassuring concern about the well-being of the nation. But, he added, his state seems to be in the federal blind spot. "We simply have to have unusual responses for unusual circumstances," Evans said.

Evans vowed to talk with Secretary of Agriculture Clifford Hardin. Lyng may have been announcing the department's policy. But perhaps the governor could get it turned around, Evans reasoned.

"It seems ironic to me that here we have surplus commodities . . . and we have people who could readily use them . . . Somehow the system is so inflexible that they can't put the two together," Evans said.

That issue has been raised often. The surplus-commodity program—based on the "Section 32 fund"—traditionally has been used to stabilize the farmers' market.

If a commodity becomes a surplus, causing price trouble, the fund money may be used to buy the farmers' surplus.

Use of the food to feed people—the hunger question arose as a major national political issue only in recent years.

The Section 32 Fund gets its money largely from Customs revenues. The fund this fiscal year is estimated to be at \$800 million. Most of that money already is committed to feeding children and other special programs.

The fact that the program is operated by the secretary of agriculture, rather than the secretary of Health, Education and Welfare, suggests that it is not geared to be responsive to hungry people, Adams pointed out.

Lyng seemed worried that, with two programs in the state—food stamps, plus distribution—there would be recipient cheating, Adams said.

That would be "a minimal problem," Adams added. "Suppose they get instances where people get both stamps and free food—and I don't think that would happen often—why is that so bad when it's balanced against the fact that you'd get food to people who need it?"

"These guys have got an iron wall down . . . They are in the commodity-stabilization business," Adams said.

Can Washington's hunger be proved? "I think there has been exaggeration by some of the hunger problem," Evans said. But he said there is no doubt about the need of food: The statistics of welfare, of persons who exhausted unemployment-compensation benefits, are abstract evidence; the people who show up to stand in line for food at voluntary food banks are visual proof.

Evans was putting together such evidence to use in his appeal against the Department of Agriculture decision.

THE HUNGER CRISIS IN THE SEATTLE AREA

(Statement of Abraham B. Bergman, M.D., Chairman, Health Care Committee, Governor's Urban Affairs Council)

Countless meetings have been held, numerous reports written, endless statistics compiled, local officials have flown back to Washington, D.C., and federal officials have flown out to Seattle—yet the Nixon Administration has not budged one inch toward alleviating the hunger crisis in the Puget Sound area. As winter sets in and more persons lose their unemployment benefits, the dimensions of the tragedy will expand enormously.

The incredible irony is that hunger is about the one social problem in our society that is readily solvable. Problems like crime, unemployment, poor housing and education are all complex; they don't command instant answers. Food is a different matter. Warehouses in certain areas of the country are bulging. To cut down on abundant surpluses, the government pays millions of dollars to farmers not to grow crops. A federal warehouse at the Sand Point Naval Air Station is filled with surplus commodities with a large padlock figuratively on the door.

NIXON IS MAKING THE DECISION

The responsibility for locking out Seattle's hungry from relief must be squarely laid at the door of the White House. It is not bureaucratic functionaries from the U.S. Department of Agriculture who are making decisions on the Seattle situation. The evidence is clear that the signals are being called directly from the office of President Nixon.

1975

ADMINISTRATION EXCUSES

The Administration has used all kinds of excuses for not allowing commodities to be distributed in the State. First they said that commodities and food stamps could not both be used in the same State. Senator Magnuson came up with an Agriculture law (PL 92-32) which did allow simultaneous programs and on July 15th succeeded in getting the Senate to allow Agriculture Department appropriations to be used for this specific purpose. The President responded by refusing to implement PL 92-32.

A few days later, Senator Magnuson obtained approval from both Houses of Congress to add \$20 million to the appropriation of the Office of Economic Opportunity for special feeding programs in needy areas. The President so far has refused to spend the money.

Why is President Nixon withholding surplus food from the Seattle area? It isn't lack of legal authority, or money. The question cries out for a straightforward answer from the President himself.

TIME FOR GOVERNOR EVANS TO ACT

The man who would seem best able to obtain that answer and hopefully change the President's mind is Governor Daniel Evans. In the middle of July, the Governor promised to seek a personal audience with the President if appeals to White House staff members failed. What is he waiting for? Senator Magnuson and other members of the Washington Congressional delegation are pushing hard. Perhaps it takes a personal appeal from a Republican governor to a President of his own party to gain a favorable decision.

Earlier in the year, the Governor and a planeload of prominent business leaders winged back to Washington, D.C. and successfully obtained reversal of a previous Presidential order to close all the nuclear reactors at Hanford.

The Governor must demonstrate a similar degree of personal commitment to feeding the hungry. I urge him to act on his pledge to seek a personal audience with President Nixon.

NEIGHBORS IN NEED SHIFTS DIRECTION

By Ray Ruppert

The future of Neighbors in Need may be coming clear.

There are indications that the volunteer program to feed hungry people, a program that is showing signs of age, may evolve into something its organizers did not envision a year ago.

That something is Neighbors in Need as a quasi-government institution which will attempt to retain the volunteer concept but with the help of government funds both to obtain food and to hire a skeleton staff from among the area's unemployed.

There are two key questions: Why the decision to move away from the volunteer concept? What hope is there for federal money, considering the refusal of the Department of Agriculture thus far to help in any significant way?

These and other complex problems—such as the relationship of Neighbors in Need to other community programs, for example, Operation Hunger—were discussed Friday in frank give-and-take.

Huddled with the steering committee of Neighbors in Need in the office of the Ecumenical Metropolitan Ministry was Representative Brock Adams.

He heard much about the frustration and anger among volunteers over what they consider the failure of their government to respond to an emergency among people.

Adams also heard predictions that the need for emergency food would increase drastically with the coming winter.

Later the congressman sat in a rickety chair at the Capital Hill food bank while those who had come for food swirled around him.

A single-file line snaked out from the cluster of people on the front lawn and wove in and out through the old frame house to pick up bag or a box of enough food to last a family two to three days.

Adams made clear his opinion that any government aid to Neighbors in Need would not be expected through the Agricultural Department which he described as responding to the wishes of large farms, particularly in the South.

Rather, Adams said, any money to help the food problem in the Seattle area would have to be sought through some "more sympathetic agencies" such as Health, Education and Welfare or the Office of Economic Opportunity.

This was what Senator Warren G. Magnuson attempted by pushing through Congress a supplemental \$20 million appropriation for a feeding program through H.E.W.

But the funds have been frozen by the President. Getting those funds released was picked by Adams as "a particular, direct, sensitive spot" to approach in seeking federal assistance in the food program.

Three spokesmen for Neighbors in Need were to go to Walla Walla today in the hope of a personal, face-to-face meeting with President Nixon.

One of the beliefs of the volunteers is that government agencies and officials are responding to the Seattle situation on the basis of regulations and statistics rather than on the basis of people.

The argument goes that if the President were really, personally aware of the seriousness of hunger here he might make aid available.

Expected to make the trip are the Rev. Harold Perry, director of the Fellowship of Christian Urban Service; Mrs. Ruth Velozo, of the staff of the Ecumenical Metropolitan Ministry, and Mrs. Peggy Maze, chairman of field operations for Neighbors in Need.

They will join State Representatives King Lysen and Gladys Kirk in efforts to see Mr. Nixon or, if that fails, in meeting with John Ehrlichman, presidential adviser.

Lysen, 31st District Democrat, and Mrs. Kirk, 36th District Republican, are cochairmen of a subcommittee investigating poverty and hunger.

Lysen said the first objective of the Seattle group will be to impress upon the President the fact that hunger exists in the Puget Sound area. Some federal officials, notably in the Agriculture Department, have doubted this.

Then, the Seattle group will suggest steps the federal government might take to alleviate hunger.

1976

Among the proposals will be that Mr. Nixon release the frozen \$20 million. Another will be the possibility of making surplus commodities available to individual families.

An imaginative suggestion is that school cafeterias be open in the evening to provide meals to poor families, using surplus commodities, possibly buying some food to balance the diet and hiring staff through the Emergency Employment Act.

Another goal today, Lysen said, will be to set up subsequent meetings with Agriculture Secretary Hardin or his assistant, Richard Lyng.

Lysen said the legislative subcommittee plans hearings in October or early November in the food banks in order to dramatize the situation and convince officials of the fact of hunger.

A sore point between government agencies and the volunteer feeding program has been the question of a means test.

Neighbors in Need has refused to establish any eligibility requirement for people who come and say they need food. To have such requirements would be demeaning, require a large staff and have no real benefit, the volunteers have argued.

Furthermore, the volunteers say that a person who stands in line four hours in all kinds of weather for a bag of groceries isn't going to do that unless he's in need.

Government programs in general have been set up with stringent eligibility requirements written in.

The Rev. Alan Ward of Neighbors in Need told Adams:

"If there are restrictions and if federal money begins to exclude people, the folks just won't stand for it."

These getting help at the food banks have "experienced being fed in a human way," Adams was told.

Adams was told that Neighbors in Need is spending about \$15,000 a week from private contributions to augment donated food in order to keep food banks open three days a week.

Peter Schurman, Northwest Area director, American Jewish Committee, told the congressman: "This economy can't stand that kind of contribution."

Mr. Ward said, "If we're going to do the government job, we ought to have our tax dollars back to do that job."

The question of Operation Hunger was raised.

It is a move to attempt to raise money to be turned over to Neighbors in Need but it has been looked upon with some question by Neighbors in Need.

"Our approach is that if any of these folks with expertise want to help, we'd be delighted to have them work with us," Mr. Ward said.

He said he had indicated Neighbors in Need would be pleased to work with Operation Hunger but added, "I don't see why another incorporated body is necessary. We'll be grateful if they raise some money. But we'd rather they work with us."

Mr. Ward estimated that Neighbors in Need has raised and distributed about \$1 million since it began in mid-November, 1970. This figure does not include donations directly to neighborhood food banks.

At the food bank, Adams said, "I'm really here to learn."

He did—that about 300 boxes of food are given out from noon until the food supply is exhausted three days a week; that what goes into the boxes is whatever may be on hand; that the food is expected to last a family two to three days.

And Adams may have sensed the frustration and anger among both workers and recipients at attempting to make the food go as far as possible.

Adams called the work of the volunteers "magnificent." But he said they could not be expected to continue indefinitely a task that belonged to other agencies—governmental or private.

This is what the volunteers increasingly have been saying among themselves in recent weeks.

Schurman told Adams: "This program takes the heat off the government. But it would be a very difficult choice to stop the food."

Mr. Ward is a chunky, mustached, ex-prison guard who doesn't let his ordination as a United Methodist minister get in the way of sometimes strong and colorful language.

He told Adams that after the most recent visit of Agricultural Department officials to Seattle he told them to leave town and not return until they had something definite to offer.

They have not been back.

At another meeting recently, Mr. Ward responded to a question about the release of surplus commodities to help feed the hungry:

"Obviously, to have money to buy food in the store like everyone else would be a better approach than to have someone give you lard and cornmeal. But if lard and cornmeal is the best we can get out of our government, we're going to get something."

Mr. Ward put the position of Neighbors in Need concisely:

"We didn't start out to be permanent. We don't want to become a better substitute for the government."

"We might consent to become a pilot program to show better ways to do some things. But we sure don't want to be substitute. That's what we are right now."

The Neighbors in Need Volunteers might have sighed an inaudible: Amen.

AUGUST 9, 1971.

Hon. GEORGE SCHULTZ.

Director, Office of Management and Budget, Washington, D.C.

DEAR MR. SCHULTZ: This letter is to call your attention to the following language in HR 10061:

"Provided, further, That \$20,000,000 of this appropriation shall be used by the Office of Economic Opportunity to finance Emergency Food and Medical Services programs in eligible areas of exceedingly high unemployment, as defined in section 6 of the Emergency Employment Assistance Act of 1971, to be reimbursed to the Manpower Training Services Appropriation by the Office of Economic Opportunity immediately upon enactment of an appropriation Act for the Office of Economic Opportunity in fiscal year 1972."

The Senate and conference report accompanying HR 10061 indicated that the purpose of the bill language was to provide an essential expedient to permit the OEO to finance these vital programs in those areas of greatest need pending the appropriation of funds for this purpose to the OEO.

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The language included in the bill reflects my strong feelings about immediate implementation of this program.

Because I believe the matter to be of a most urgent necessity, I am writing to you to secure your support in seeing that this program is implemented at once.

If you have any problem please contact me immediately.

I would be most pleased to have your early favorable reply on this issue.

Sincerely,

WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education and Welfare.

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C., August 23, 1971.

HON. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education and Welfare,
Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: George Shultz has asked that I reply to your letter of August 9, 1971, in which you requested his support in implementing the new \$20 million Emergency Food and Medical Services (EFMS) program which was included in the Department of Labor and Health, Education and Welfare appropriations, 1972.

As you are undoubtedly aware, the Office of Economic Opportunity in preparing the FY 1972 budget, decided to begin phasing out this program. Mr. Wesley L. Hjordvik, Deputy Director of OEO, testified on this subject on May 19, 1971, before the Senate Subcommittee on Employment, Manpower and Poverty. He cited three reasons for this decision: (1) the expansion and improvement of the food stamp and commodities distribution program; (2) the expansion of EFMS beyond its original scope, which reached only those counties in most dire need of food assistance, to a program which threatened to duplicate the main Federal food programs—food stamps and commodities—and to become a permanent bureaucratic fixture; and (3) the expected advance of welfare reform. Even though the President in his "Challenge of Peace" address on August 15, 1971, announced that he would ask Congress to delay the implementation of welfare reform one year, the phaseout of EFMS remains consistent with this Administration's determination to increase reliance on income maintenance rather than services. Although the other Federal food programs have been expanded, this is only over the short-run. When welfare reform has been implemented, these programs also will be phased out to be replaced by cash payments.

The Administration is requesting continued legislative authority for EFMS. In the event that the expanded food stamp and commodity programs do not meet the food needs of the poor, OEO is prepared to reprogram funds into EFMS. Such an action would, of course, have Administration support, and if the other Federal food programs were not doing the job, the \$20 million appropriated for EFMS in the DOL appropriation would also be released. I have your concern about the economic problems in the Seattle area. We are not convinced, however, that the use of EFMS funds is the optimum way to handle the food situation. Instead, we have asked HEW and USDA here in Washington, as well as the Federal Regional Council in Seattle, to make certain that red tape and regulations do not hamper the effectiveness of the food stamp and commodity programs. We believe that their regulations can be interpreted in such a way to take care of most of the serious situations in which you are very properly concerned.

I will keep you informed of the action on this.

Sincerely,

CASPER H. WEINBERGER,
Deputy Director.

AUGUST 26, 1971.

The PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: I have been informed by a letter from the Deputy Director of the Office of Management and Budget, Mr. Caspar W. Weinberger, that a decision has been reached not to allow the expenditure of twenty million dollars appropriated by Congress to the Emergency Food and Medical Services program. These funds were appropriated because of an amendment I offered to the Labor, Health, Education and Welfare appropriation Act for fiscal year 1972. The amendment directed that those funds be used in areas of the Nation having the highest rates of unemployment. It was unanimously passed by Congress.

This decision is terribly distressing to me and to the thousands of volunteer workers in Washington State that have been attempting to secure emergency commodities for hungry people facing crisis conditions. There has been a massive volunteer effort led by Neighbors in Need, a local organization of churches, to collect and to distribute food to thousands of hungry people. The decision to freeze these appropriated funds demonstrates the complete unawareness by the Office of Management and Budget of the desperate emergency conditions facing thousands of families and individuals in this State.

The letter to me states: "In the event that the expanded food stamp programs do not meet the food needs of the poor, OEO is prepared to reprogram funds into the Emergency Food and Medical Services program. The stark facts are that the food stamp program has failed to meet the existing need. Forty percent of the people qualified to participate in the program are not participating for a number of reasons most important of which is that they simply cannot afford to buy food stamps."

Recent changes in the United States Department of Agriculture regulations made it more expensive for many to participate in the food stamp program, thus compounding the problem. Neighbors in Need turns away 12,000 hungry people each week in the Seattle area which is the strongest available evidence that the existing food stamp program operation alone is not adequate.

My amendment to the Labor, H.E.W. Appropriation Act provided the authority and it provided the funds to feed people facing emergency conditions. Congress by passing this amendment demonstrated its intent to feed hungry people in areas having the highest rates of unemployment.

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I believe we should use this authority and this money now.

Mr. President, you recently reversed a decision by the Office of Management and Budget and the Department of Agriculture on the Summer Lunch Program; this was a just and humane decision widely applauded by all Americans. I believe that this decision to freeze funds appropriated for the Emergency Food and Medical Services Program should also be reversed, and I hope that you will see fit to do that for I know this was not a political decision on the part of your administration.

Thousands of people in Washington State are facing the crisis of hunger for the first time, and are stunned and confused by the lack of a meaningful federal response. I have never in my career in elective office seen a volunteer effort that has done more to help people in need. Yet there simply is no way for this effort to meet the growing need unless supplemented by either emergency commodity distribution, emergency food stamp distribution or allowing the use of emergency money vouchers.

I would appreciate your reviewing the reasons for this action and, Mr. President, I again urge you to reverse this decision on the simple basis that we cannot allow people to go hungry in America in this day and age.

Sincerely yours,

WARREN G. MAGNUSON,
U.S. Senator.

THE WHITE HOUSE,
Washington, D.C., September 24, 1971.

HON. WARREN C. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: The President has asked me to reply to your letter of August 26, 1971, regarding the non-release at this time of the \$20 million Emergency Food and Medical Services (EFMS) program which was included in the Labor-HEW appropriation for fiscal year 1972.

When Cap Weinberger wrote to you on this subject on August 23, 1971, he indicated that OEO was prepared to reprogram funds into EFMS in the event that the expanded food stamp and commodity programs do not meet the food needs of the poor. But because the Administration is not convinced that the use of EFMS is the optimum way to handle the food situation in Seattle, HEW and USDA here in Washington, as well as the Federal Regional Council in Seattle, have been asked to make certain that red tape and regulations do not hamper the effectiveness of the food stamp and commodity programs, wherever they are operating.

USDA and HEW have been carrying out Cap Weinberger's instructions. Since his letter of August 23, 1971, Mr. Philip C. Olsson, Deputy Assistant Secretary of Agriculture, together with officials from HEW, have visited Washington State to look into the situation. Two steps are being taken to ensure that the food stamp program in Washington State is meeting the food needs of eligible recipients.

First, efforts are underway to improve the distribution system both by exploring the possibility of using post offices and employment security offices as stamp distribution locations and also by encouraging States, including Washington State, to improve their outreach efforts. Those efforts should provide faster service for food stamp recipients as well as less travel to reach a distribution point.

Second, the available offsets against income are being emphasized. USDA has urged local welfare officials to make greater use of the provision in the regulations which permits deductions from income for families with unusual financial commitments such as high medical bills or out of the ordinary rental or house payment requirements. This should be of particular benefit to families who have some cash income but heavy demands on this income. The new food stamp regulations will also benefit families with very low cash income since free food stamps will be available to those whose monthly income is \$30 or less.

These steps indicate the Administration's commitment to ensure that the food stamp and commodity programs are meeting the needs of eligible recipients.

Consequently, the EFMS money will not be released at this time. Nevertheless, I would reiterate Cap Weinberger's statement in his letter to you of August 23, 1971: "In the event that the expanded food stamp and commodity programs do not meet the food needs of the poor, OEO is prepared to reprogram funds into EFMS." Such a decision, however, should not be made unless we find that food stamps and commodities are not doing the job.

Sincerely,

WILLIAM E. TIMMONS,
Assistant to the President.

STATEMENT BY THE WASHINGTON STATE DEMOCRATIC LEGISLATIVE CAUCUS, JUNE 1971

In this the most progressive state in the richest nation in the world, tens of thousands of our citizens are unemployed through no fault of their own. Largely as a result of the inept economic experiments of the federal administration, they face a frightening and unprecedented combination of economic stagnation and spiraling inflation.

Now because of the insensitivity and bureaucratic inflexibility of that same administration, thousands of these same Washington citizens, many of them helpless children, are suffering actual hunger while surplus food deteriorates in locked government warehouses.

This tragic and irrational situation exists because the federal government refuses to permit distribution of surplus food in counties where the Food Stamp Program exists.

Yet more than half the King County citizens legally entitled to food stamps cannot get them because food stamps cost money and they do not have money.

Until 1963 surplus foods were distributed directly to the needy in all counties but in September of that year a pilot food stamp program was established in Grays Harbor County. Almost immediately the number of participants dropped by 68% from those who had made use of the surplus food program largely because those eligible didn't understand the complexities of the food stamp procedures or were financially unable to buy the stamps.

Despite this experience the Food Stamp Program pushed by the Federal government has gradually expanded to a state-wide basis. This was accomplished in 1967 although not by action of the full legislature. It was inserted by conference committee action with strong pressure from Governor Evans' office.

It was claimed by the Governor's Council for Reorganization of State Government that the Food Stamp Program would result in major savings over the cost of distributing the surplus food commodities. These savings have failed to materialize. The last statistics for surplus food costs showed an expenditure of 37½¢ per recipient. The current cost of food stamp distribution is 51¢ per recipient.

Advocates also argued that "Food stamps are a substantial benefit to grocers," and "have gained widespread support from banks" and that "since the stamp purchases are subject to the state sales tax the state gains additional revenue."

These statements are doubtless true. The supermarkets receive their regular markup on food purchased with food stamps, banks receive 35¢ per transaction for distributing food stamps and the state does indeed take its 5% off the top for sales taxes.

Under the surplus food distribution programs, there were no hands in the pockets of the poor. They received a dollar's worth of food for every dollar they were entitled to without first paying off to the bank or the grocer and the tax collector.

There are other obvious weaknesses in the food stamp program: Food stamps are said to be worth an average of 33% more than their purchase price at the grocery store. Yet how much of this 33% advantage remains after the stores' profit markup and the state sales tax has been paid?

The Food Stamp Plan does not control the diet. Stamps may be spent for almost anything in the store except beer, wine and tobacco and since they are "just like money" knowledgeable recipients can easily get around these restrictions. The result is often complete failure of the program's avowed purpose of assuring a balanced diet to every needy family. Surplus food, while not glamorous or of wide variety, did assure a minimum level of nourishment.

Food stamps are as negotiable as currency and provide temptations to the unscrupulous to use them as the means of defrauding the government as well as the recipients.

We face a human tragedy of major proportions. Children are weeping in their beds from the pangs of hunger. Partisan politics and profitable expediency must be put aside and put aside now. We propose the following action and pray that every public official in this state regardless of political affiliation will join with us:

1. To immediately urge the entire Washington congressional delegation to give the highest priority to a unified effort to remove the Food Stamp Program from the strangling entanglement of federal red tape, permitting the distribution of stored surplus food by state and/or local food bank facilities.

2. In the event such a plea to the federal administration proves unavailing to give equally high priority at the forthcoming January session of the legislature to a new set of laws in the area of basic human needs eliminating the Food Stamp Program if as it now appears it does not feed the hungry but in fact denies them available and surplus food.

Mr. AIKEN. Mr. President, I yield 1 minute to the Senator from Nebraska (Mr. Hruska).

Mr. HRUSKA. Mr. President, not too long ago—in fact, within the past hour—the assurances of Assistant Secretary Lyng were read into the Record that the entire amount of \$782 million will be spent.

Let me say that Nebraska has been apportioned this year \$3,675,000 under the regular appropriation for this fiscal year. That is \$400,000 more than last year, and it has been allocated. It has been apportioned. They have it. But I think we ought to inquire into whether or not the delivery system has broken down, as described by the Senator from Vermont, and the proper place to do that is in the Appropriations Committee, where we have access to and where we can process that matter and determine what amounts have gone forward and what further amounts should be provided for.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. MAGNUSON. I am sure the the Appropriations Committee, like the legislative committee, feels keenly about this matter. We will appropriate here, but the problem is the question of being assured that they are going to distribute it and spend it and do it right. That is my problem.

Mr. HRUSKA. Except for letters that are confused or ill-informed, they all indicate that Nebraska has had the funds apportioned, and to the extent of \$400,000 more than last year.

Mr. MAGNUSON. Well, the State of Washington is still looking for one dime of the \$20,000,000 Congress appropriated for the emergency food and medical services program.

Mr. HRUSKA. For school lunch money?

Mr. MAGNUSON. To get money that we have appropriated spent to feed hungry people.

Mr. AIKEN. Mr. President, I yield myself 1 minute.

I have tried, ineffectively to find out what has caused the big increase in the cost of the lunches. We know that inflation of prices has caused some of it. I have asked if the cost of the food has resulted in doubling the cost of the

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school lunch program, as it has in some areas, or whether it was the cost of supervision, or as a result of contracting it out to somebody at a high price, or what it was. I have not been able to get a very good answer.

That is why I think the Appropriations Committee is better able to get the answers than we are.

I want to see this program carried out and have the children get the fullest benefit out of it. As I said some time ago, I am very much interested in the bill introduced by the Senator from Minnesota which would provide lunches for all children. I am not making any promises at this time, but I want to tell him I am interested in the bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. Mr. President, a parliamentary inquiry. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. TALMADGE. I yield 1 minute to the Senator from Kentucky (Mr. Cook).

Mr. COOK. Mr. President, the issue today is quite simple. In the words of Senate Joint Resolution 157, it is to "assure that every needy schoolchild will receive a free or reduced price school lunch" as required under the existing school lunch act. It is unfortunate that such an assurance is necessary.

On August 13, pursuant to Public Law 91-248, the Department of Agriculture issued regulations which in the opinion of the State directors section of the American School Food Services Association poses a very real threat to the national school lunch program. In many parts of the country, a nutritious lunch costs as much as 60 cents in preparation and service. Under the 35-cent reimbursement rate required by the August 13 regulations, the States operating such programs will be faced with a multimillion dollar deficit. Obviously, on such short notice, the States cannot make up this loss. Their only alternative is cancellation or reduced participation.

The Department of Agriculture in refusing to modify its August regulations has not only ignored the intent of the law, but also needs of many schoolchildren in the country now participating in the school lunch program.

The facts cannot be ignored. Many local school officials have complained that they will be unable to continue their lunch programs for the needy under present regulations. In Kentucky alone the breakfast program will be canceled unless more money is allocated.

Through the untiring efforts of many of my colleagues on both the Select Committee on Nutrition and Human needs and the Agriculture Committee, we can today rectify this situation. Very simply, Senate Joint Resolution 157 provides that the Secretary of Agriculture may provide additional funds to assure the continuation of feeding children, who through no fault of their own, are undernourished and hungry.

Mr. President, 44 Members of this body have, by a letter to the President, gone on record as supporting this measure. For the benefit of my other colleagues I ask unanimous consent that this letter urging the President to require the Department of Agriculture to withdraw the August 18 regulations be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, follows:*

Mr. Cook. Mr. President, to summarize, the only problem is that the regulations were established on August 13. Not a school system in the United States would have had time to secure the additional funds. The tax rates are set in the spring in our State. Budgets are set. State legislatures do not meet until next year. The breakfast program in my State goes down the drain in October because it has not adequate financing under the regulations.

The real problem is that if they had brought out the regulations a year ago, we would have had an opportunity to look at and analyze it and the situation would not be what it is today. It is chaotic today because regulations were given to the school systems on the 13th of August, when the schools were getting ready to open in 2½ weeks. Their budgets had been set. Their contributions had been set. They had no way to rearrange those matters. They had no way to pick up the additional funds. That is the significance of the problem we face today.

* See p. 1892; also letter on p. 1903 of Sept. 29, 1971, from Eugene S. Cowen, Deputy Assistant to the President, in reply.

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Mr. President, if we can afford F-14's, B-1's, and ABM's, we can afford to feed the needy children in the richest country in the world. I urge the speedy adoption of Senate Joint Resolution 157.

Mr. TUNNEY. Mr. President, I strongly support the enactment of Senate Joint Resolution 157 to insure that our schoolchildren receive adequate meals.

This legislation would:

First, direct the Secretary of Agriculture to use funds under section 32 of the Agriculture Act of 1935 for food assistance in the national school lunch program;

Second, require the Secretary of Agriculture to determine and report to the Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs at levels which will permit expansion of the school breakfast and lunch programs as rapidly as practicable; and

Third, provide that the maximum per-lunch limitation contained in section 11(e) of the National School Lunch Act on the amounts of funds that States may reimburse schools for special assistance under section 11 shall not be fixed by the Secretary at less than 40 cents.

With regard to the last provision, I would like at this time to ask unanimous consent to place in the Record a letter which I have received from Wilson Riles, California superintendent of public instruction.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF EDUCATION,
Sacramento, August 31, 1971.

Hon. JOHN V. TUNNEY,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR JOHN: I am writing you in reference to the proposed regulations affecting the national school lunch program recently announced by the Department of Agriculture. I believe the new regulations if adopted at the proposed funding level would have a disastrous effect on the free and reduced price school lunch program in California.

In the current program in California, school districts are reimbursed 30¢ from federal funds for free school lunches for needy children. In addition to this 30¢, districts are reimbursed 10¢ from state funds for free lunches for children from AFDC families.

As you may recall, Governor Reagan deleted the \$6 million proposed in the 1971-72 budget for the state program. This eliminated any state reimbursement to local school districts participating in the program adopted, local school districts in California will have to find 10¢ or more per meal from local funds in order to continue to participate in the free school lunch program.

I have been informed that the proposed changes in the regulation governing the national school lunch program are not final. I strongly urge you to request the Department of Agriculture to revise its proposed guidelines by increasing the guaranteed reimbursement for free school lunches for needy children from 30¢ to 40¢. This is absolutely essential if we are to maintain the existing efforts much less begin to meet our commitment to provide for the health and welfare of our school children.

Sincerely,

WILSON RILES.

Mr. TUNNEY. As my colleagues can see, it is of vital importance to California's schoolchildren that this resolution be enacted at once.

The national school lunch program is authorized by the National School Lunch Act and administered by the Department of Agriculture. This program gives State educational agencies cash grants and commodities to assist in providing low-cost and nutritious lunches for schoolchildren.

Funds for food assistance to schools are authorized under the National School Lunch Act, particularly section 4, general cash for food assistance and section 11, special assistance for children of low-income families.

Senate Joint Resolution 157 is designed to mandate the expenditure of section 32 funds and to ensure that the maximum per-lunch limitation is 40 cents rather than the 30 cents proposed by the Department of Agriculture.

Recently, the Department of Agriculture has proposed school lunch regulations which would have a very deleterious effect on the program.

On September 9, I was pleased to join with my colleagues Senator McGovern, Senator Hart, and Senator Cook in a letter to the President requesting drastic revisions in proposed school lunch regulations in order to ensure the adequate expansion of the program.

I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:*

* See p. 1892, previously printed in this hearing.

Mr. BYRD of West Virginia. Mr. President, I rise to express my support for Senate Joint Resolution 157, which is designed to assure that every needy school child will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act.

This legislation is necessary because on August 13, 1971, the Department of Agriculture published proposed regulations which, in effect, reduced the school lunch reimbursement rate per meal to 35 cents, even though the actual cost of a meal averages above 50 cents per meal. These regulations were published only 3 weeks before the schools were due to open and they have created havoc and uncertainty throughout the school districts of the Nation, since, under these new regulations, the States and school districts anticipate losses amounting to many millions of dollars. An excellent example of how these regulations will adversely affect the States is my own State of West Virginia. The State director of the food service program has estimated that West Virginia will lose \$2,661,300. This anticipated loss is compounded by the fact that the States, since they did not receive timely and adequate notice of these proposed changes in the school lunch regulations, have no conceivable way to make up for these losses from either State or local funds on such short notice. Therefore, the affected States will have no alternative but to reduce participation in the program in order to stay within their limitation of available funds. Furthermore, if this situation is not corrected, the school districts' only alternatives for future consideration will be to increase the price of school lunches for the children who can afford to pay, or to increase local school taxes. In a State such as West Virginia, which has a high percentage of needy students receiving reduced price or free lunches, or where the school districts have a high percentage of unemployment, these are impractical solutions.

These regulations also have an adverse effect on the school breakfast program in that they not only limit expansion of the program, but also, in some cases, will require several States to cancel the school breakfast program this year, since they make no provision for continuing the authority to transfer section 32 bloc grant funds to the States needing them to expand this program to eligible needy children.

Mr. President, the Departments of Health, Education, and Welfare and Agriculture have both financed literally hundreds of nutritional studies which have proved the importance of children receiving a balanced nutritional breakfast, and how this first meal of the day directly affects their ability to concentrate and to learn.

I was one of the signers of a letter, dated September 9, 1971, to the President which outlined this situation to him, and asking that he take action to withdraw the proposed regulations. To date, the regulations have not been withdrawn or revised.

I commend the chairman of the Senate Agriculture Committee (Mr. Talmadge) for his thorough and expeditious handling of this legislation which is urgently needed to correct the situation which I have described above, and I join him in support of Senate Joint Resolution 157.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield to the distinguished Senator from Florida (Mr. Chiles).

Mr. CHILES. Mr. President, I think one of the problems here is that there is an increase in dollars this year over what the request was last year for the needy lunches, of \$78.8 million, but the Department did not ask Congress for enough money, if the States were going to continue to expand their programs as we had mandated that they must expand their programs.

I think the Department realized this, and they had two choices as to what to do. Either they had to cut down the amount per lunch, to make sure there would be enough funds to provide some funding or all the requests, or some of the requests had to be denied. They knew that if they had imposed these regulations, they could reduce the requests because schools would be forced to withdraw. But in neither case did the States know. We have mandated that they feed all the needy children, and we did not provide the funds to do it. To resolve the situation, it is necessary either that we get an emergency appropriation, or provide for the use of section 32 funds until we can appropriate enough funds otherwise.

This is something we ought to do. We ought to determine how many dollars are needed, so Congress can make the decision. Are we going to force these school districts out of the program, or are we going to pay our fair share?

The PRESIDING OFFICER. The time of the Senator from Georgia has expired. The Senator from Vermont has 9 minutes.

Mr. AIKEN. Mr. President, lest I be accused of using them to unfair advantage, I yield back my 9 minutes.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the resolution.

Mr. MILLER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. AIKEN. Mr. President, lest I be accused of using them to unfair advantage,

Mr. MILLER. I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Miller's amendment is as follows:

On page 2, line 9, insert "(1)" before the word "to";

On page 2, line 13, insert the following before the period: "and (2) to carry out the purposes of section 4 of the National School Lunch Act and provide a rate of reimbursement of not less than six cents per meal";

On page 2, line 20, after "out", and "section 4 and";

Amend section 2 of S.J. Res. 157 to read as follows:

"Sec. 2. Funds made available by this joint resolution shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced price lunches and to meet the objective of this point resolution with respect to providing a minimum rate of reimbursement under section 4 of the National School Lunch Act. Such funds shall be apportioned and paid as expeditiously as may be practicable."

Mr. MILLER. Mr. President, we have two sections that we are concerned about in this school lunch program.

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. MILLER. I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. MILLER. Mr. President, the Senate is not in order. I ask that the Senate be called to order.

The PRESIDING OFFICER. What did the Senator say?

Mr. MILLER. The Senate is not in order. I ask for order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HUMPHREY. Mr. President, would the Chair state the time limitation on each amendment?

The PRESIDING OFFICER. Thirty minutes total, 15 minutes to each side.

Mr. MILLER. Mr. President, in this school lunch program we are dealing with two sections, section 4 and section 11. The pending resolution deals only with section 11, but I suggest that we have a problem with section 4 also.

Section 4 provides funding to cover all lunches served in a school district, reduced price, free lunches, and all others. Section 11 covers only reduced price and free lunches.

To the extent that section 4 funds go to cover reduced price and free lunches, we are talking about poor and needy children. To the extent that they go to other lunches, we are not. But in part, at least, section 4 is concerned with the very problem that the resolution covering section 11 is concerned with.

Last year, the reimbursement to the States under section 4 varied from roughly 4 cents up to, as I understand, 12 cents in some cases. Most of the States, I believe 32 of them, received reimbursement under section 4 in excess of 5 cents.

New regulations of the Department now provide for a flat 5 cents per lunch. According to testimony received before the committee from Josephine Martin, administrator of the school service program of the State of Georgia, by doing this, by placing this section 4 money at a rate of 5 cents, there would be 37 States adversely affected. In my own State of Iowa, for example, last year they received a reimbursement of 5.6 cents. Under section 11, they received a reimbursement of 47.6 cents. So we had, in Iowa, 53.2 cents per meal.

Under the U.S. Department of Agriculture regulations there would be a reimbursement of 5 cents under section 4, and under the resolution which is pending, and which I hope will be adopted, there would be 40 cents under section 11, for a total of 45 cents. Senators can see from that that even if we adopt this resolution, the school districts in my State will be cut roughly 8 cents from the way they got along last year, and this is going to happen in a great many other States also.

The purpose of my amendment is to increase the section 4 money to provide for a minimum of 6 cents instead of the provision, under the regulations, of 5 cents.

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In the committee, an amendment was offered to increase the amount to 6.5 cents. I regret that I was not present at the meeting of the committee, although I did leave my proxy with our distinguished chairman in favor of the resolution itself.

I suggest to my colleagues that if they are interested in this school-budget problem, this amendment should be agreed to. We may argue as to whether or not section 4 funds should be increased beyond what is needed to cover needy children. That is an argument that should be worked on during the remainder of this year. But the school district budgets have been set up in 37 States in anticipation of what they received last year under section 4, and now, if we do not do anything about it, they are going to be cut to 5 cents, as provided by the regulation.

My amendment would cover only this fiscal year. It is designed to prevent more chaos in our school district budgeting systems.

I ask unanimous consent to have printed in the RECORD at this point, Mr. President, a telegram from the State director of school food services from the State of South Dakota, one from the same official from the State of North Dakota, one from the same official from the State of Wisconsin, one from the same official for the State of Illinois, and one from my own State of Iowa, in support of this amendment.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PIERRE, S. DAK.

Senator JACK MILLER,
Senate Agriculture Committee,
Washington, D.C.:

Appreciate effort to increase reimbursements to 6.5 cents and 40 cents for lunch programs. Many of our schools need these as a minimum.

MARTIN SORENSEN,
State Director, School Food Services,
Department of Public Instruction.

BISMARCK, N. DAK.

Senator JACK MILLER,
U.S. Senate,
Washington, D.C.:

North Dakota Food Service commends you for recommending 6.5 cents under section 4S and 41 cents for each free and reduced price lunch. We urge your support of SJ157 to provide flexibility in funding schools for feeding needy children.

ROBERTA A. BOSCH,
Director, North Dakota School Food Services,

MADISON, WIS., September 30, 1971.

Hon. JACK MILLER,
U.S. Senate,
Washington, D.C.:

You are to be commended for recommendation in Senate Agricultural Committee for funding to support school lunch reimbursements of 6.5 cents under section four and 40 cents under section eleven funding necessary to meet program commitments. Urge continued support on Senate floor tomorrow for minimum of 6 cents and 40 cents.

WILLIAM C. KAHL,
State Superintendent, Wisconsin Department of Public Instruction.

SPRINGFIELD, ILL., September 30, 1971.

Senator JACK MILLER,
Senate Office Building,
Washington, D.C.:

Our wholehearted support and appreciation in your recommendation.

ROBERT E. OHIZEN,
Director, School Food Services,
Section OSPI, State of Illinois.

DES MOINES, IOWA, September 30, 1971.

Senator JACK MILLER,
Washington, D.C.:

Read headlines in Des Moines Register of your courageous leadership re committee yesterday. Urge you continue battle tomorrow for six and half cents under section 4 which is needed by many States. 40 cents under section 11 is only half of problem we may wind up with fine cart for free and reduced price lunches but no horses to pull it.

VERN CARPENTER,
School Lunch Director, Department of Public Instruction.

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Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. MILLER. Yes, indeed.

Mr. PASTORE. How is the State of Rhode Island affected?

Mr. MILLER. I can only answer the Senator's question this way: I do not have a tabulation, but if he knows what the State of Rhode Island received last year under section 4, I could answer that question. If last year the State of Rhode Island received 6 cents, and it is going to be cut to 5 cents by the regulations of the USDA, 1 cent for every meal served in the State of Rhode Island is going to be unbudgeted by the school districts.

I would guess, because of the cost of living in that part of the country, that probably they had a reimbursement substantially in excess of 6 cents under section 4. There are 37 States affected; I would certainly guess the Eastern Seaboard States are in that category, but I do not know.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, the Senator from Iowa was out of the city, unfortunately, when this resolution was considered by the committee. He left his proxy with me, with the instruction that the 6.5-cent amendment be submitted to the committee. I did so. The committee rejected the amendment offered by the Senator from Iowa.

Under the regulations that existed last year, the average contribution from section 4 funds this year would be 5.2 cents. That would be the average nationwide. The Senator's amendment would raise each State to 6 cents.

Section 4 funds, for the information of the Senate, is money made available by the Government to the various States and school districts for every meal that is served, whether that meal be at the full price, whether it be at a reduced price, or whether it be totally free to the needy children. So it would be applicable across the board, to all the children, regardless of their income and regardless of the price they pay for the meal.

Under normal conditions, I might be tempted to vote for the Senator's amendment; but as chairman of the committee and floor manager of the bill, because our committee rejected the amendment, I cannot support it at this time.

I yield 2 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. I thank the Senator from Georgia.

As I have stated two or three times today, I think the Appropriations Committee is in a much better position to find out these facts than we are on the floor of the Senate.

I understand that under the new regulations, some States will get more, some will get less, but the money will be all gone and more is needed. I think we should get it in the regular way. I understand that if we have a 40-cent rate, the additional funds required probably will be about \$150 million, which I will gladly support, but I cannot vote for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. MILLER. I am pleased to yield back the remainder of my time.

Mr. TALMADGE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Iowa (putting the question).

The ayes appear to have it.

Mr. TALMADGE. Mr. President, I ask for a division.

The PRESIDING OFFICER. All Senators in favor please stand and be counted.

All Senators opposed please stand and be counted.

Mr. MILLER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The Chair is not sure about the result of the division.

All Senators in favor please stand and be counted.

All Senators opposed please stand and be counted.

On a division, the amendment was agreed to.

Mr. PASTORE. Mr. President, let the RECORD indicate that the Senator from Rhode Island stood up in the affirmative.

The PRESIDING OFFICER. The RECORD will so indicate.

The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

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The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Oklahoma (Mr. Harris), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Utah (Mr. Moss), the Senator from Maine (Mr. Muskie), the Senator from South Carolina (Mr. Hollings), the Senator from Nevada (Mr. Cannon), and the Senator from Louisiana (Mr. Long) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. Bayh), the Senator from Nevada (Mr. Cannon), the Senator from South Carolina (Mr. Hollings), the Senator from Washington (Mr. Jackson), the Senator from Louisiana (Mr. Long), the Senator from New Mexico (Mr. Montoya), and the Senator from Utah (Mr. Moss) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. Allott) is absent because of death in his family.

The Senator from Oklahoma (Mr. Bellmon), the Senator from New Hampshire (Mr. Cotton), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Pennsylvania (Mr. Scott), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Nebraska (Mr. Curtis) was detained on official business, and has announced his position.

If present and voting, the Senator from Colorado (Mr. Dominick), and the Senator from Pennsylvania (Mr. Scott) would each vote "yea."

The result was announced—yeas 75, nays 5, as follows:

[No. 246 Leg.]

YEAS—75

Allen
Anderson
Baker
Beall
Bennett
Bentsen
Bible
Boggs
Brock
Brooke
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Chiles
Church
Cook
Cooper
Cranston
Dole
Eagleton
Eastland
Ervin
Fannin

Fong
Fulbright
Gambrell
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Hatfield
Hughes
Humphrey
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Metcalf
Miller
Mondale

Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Smith
Sparkman
Spong
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Williams

NAYS—5

Aiken
Ellender

Hruska
Stafford

Young

NOT VOTING—20

Allott
Bayh
Bellmon
Cannon
Cotton
Curtis
Dominick

Goldwater
Harris
Hollings
Inouye
Jackson
Long
McGovern

Montoya
Moss
Mundt
Muskie
Scott
Weicker

So the joint resolution (S.J. Res. 157) was passed, as follows:
The preamble was agreed to, as follows:

Whereas it appears that under the proposed apportionment of funds available for special assistance under section 11 of the National School Lunch Act for the fiscal year ending June 30, 1972 (including funds appropriated by section 32 of the Act of August 24, 1935, and made available for that purpose), only six States will receive more than 30 cents in such assistance per free or reduced price lunch; and

Whereas it appears that this amount per lunch is not adequate to enable States and schools to continue to participate in the school lunch program and to achieve the objectives of the National School Lunch Act, particularly that of providing a free or reduced price lunch to every needy child:

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. MILLER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table is agreed to.

Mr. CURTIS. Mr. President, on this rollcall vote just completed, I was detained in my office and failed to reach the Chamber before the vote was announced. Had I been able to be present to vote, I would have voted "Yea."

Mr. LONG. Mr. President, I was on my way from the committee hearings to the Senate floor. I was unaware of the fact that the vote was going on. Had I been present at the time I would have voted "Yea."

[From the Congressional Record, Oct. 15, 1971]

SCHOOL LUNCH REGULATIONS

Mr. HART. Mr. President, almost 2 years ago, the President pledged that every needy child in America's schools would receive a free or reduced price lunch. Congress took the President's pledge to heart and passed a new school lunch law in 1970 guaranteeing a lunch to every needy child.

When Congress made that guarantee, it also made clear that cost was not to deter us from fulfilling the goal. Feeding our hungry children was now the goal. It would cost what it would cost.

During the last school year, participation in the school lunch program rose from 5.8 million to 7.3 million children. This year, it was fully expected that participation would continue to expand to over 9 million needy children.

It was puzzling to me that the Agriculture Department did not request additional funds to pay for that expansion. In fact, I recommended to the Appropriations Committee that additional funds be made available.

When the Agriculture Department moved to reduce the Federal rate of support for the program just before the 1971-72 school year, my puzzlement turned to shock. I could not believe, after the President's personal pledge and the commitment by Congress, that an executive agency would move arbitrarily through the regulatory process to deprive needy children of lunches.

Following the Department's move to reduce the Federal rate of support, I had the privilege of sponsoring, along with Senator Cook, a letter that was signed by 44 Members of the Senate. This letter urged the President to order the Department to provide more support for the lunch program, not less.

I believe this letter played a role in the Department's decision last week to raise its support level per lunch from 35 to 45 cents. Unfortunately, at the same time the Department announced that decision, it also announced that it was instituting a new maximum nationwide income eligibility standard of \$3,940 for a family of four.

In effect, this new maximum lowered eligibility levels in 44 States and, in one abrupt swoop, knocked out of a million and a half needy children from the school lunch program.

Mr. President, this new attempt by the Agriculture Department, obviously at the direction of the Office of Management and Budget which is, unfortunately, not subject to congressional supervision, to cut back on this program is inexcusable. Indeed I question its legality.

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When Congress enacted Public Law 91-248 in 1970, it intended that the national eligibility standard established by the Secretary of Agriculture should be a minimum standard, a floor that States and localities could exceed where individual economic conditions dictated.

The Agricultural Department recognized as much last school year and the beginning of this school year by specifically approving the higher standards in the 44 States. Then suddenly last week, the Department reinterpreted—wrongly and in my view illegally—the law passed by Congress.

For that reason, we have today sent a second letter to the President carefully explaining the meaning of Public Law 91-248 insofar as eligibility levels are concerned. Lest there be any doubt as to what the Senate meant when it voted Public Law 91-248, I want to note that 58 Senators have agreed to sign this letter.

Hopefully this letter to the President will serve to remind the Department of Agriculture that when the Congress says it wants this Nation's hungry schoolchildren fed, the Congress means what it says. It does not mean that only some of the hungry should be fed. It does not mean that senseless lines should be drawn between some poor children and other poorer children. It means only and exactly what it says—feed all the hungry and all the poor of the Nation's needy schoolchildren.

I pray this unfortunate controversy is concluded, that no further letters will be necessary. Hungry children do not need any more regulations from the Department of Agriculture or letters from the Senate. They need food.

Mr. President, I ask unanimous consent to have printed in the RECORD the following letter to the President sponsored by myself and Senator Williams, Cranston, Cook, and Case, and signed by 54 Senators.

There being no objection, the letter was ordered to be printed in the RECORD.*

* The letter to the President was previously printed in hearing record, see p. 1913.

Passage of Senate Joint Resolution 923

[From the Congressional Record, Oct. 18, 1971]

SCHOOL LUNCH AND BREAKFAST PROGRAMS FOR NEEDY CHILDREN

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 923) to assure that every needy schoolchild will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act, as amended.

The Clerk read as follows:

H.J. RES. 923

Whereas it appears that under the proposed apportionment of funds available for special assistance under section 11 of the National School Lunch Act for the fiscal year ending June 30, 1972 (including funds appropriated by section 32 of the Act of August 24, 1935, and made available for that purpose), only six States will receive more than 30 cents in such assistance per free or reduced price lunch; and

Whereas it appears that this amount per lunch is not adequate to enable States and schools to continue to participate in the school lunch program and to achieve the objectives of the National School Lunch Act, particularly that of providing a free or reduced price lunch to every needy child: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of Agriculture shall until such time as a supplemental appropriation may provide additional funds for such purpose use so much of the funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), as may be necessary, in addition to the funds now available therefor, to carry out the purposes of section 11 of the National School Lunch Act and provide a rate of reimbursement which will assure every needy child of free or reduced price lunches during the fiscal year ending June 30, 1972, and to carry out the purposes of section 4 of the National School Lunch Act and provide an average rate of reimbursement of 6 cents per meal within each State. In determining the amount of funds needed and the requirements of the various States therefor, the Secretary shall consult with the National Advisory Council on Child Nutrition and interested parties. Funds expended under the foregoing provisions of this resolution shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out section 4 and section 11 of the National School Lunch Act, and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

SEC. 2. Funds made available by this joint resolution shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced price lunches and to meet the objective of this joint resolution with respect to providing a minimum rate of reimbursement under section 4 of the National School Lunch Act, and such funds shall be apportioned and paid as expeditiously as may be practicable.

SEC. 3. The Secretary of Agriculture shall immediately upon enactment of this resolution determine and report to Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs authorized by sections 4 and 5 of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, at levels which will permit expansion of the school breakfast and school lunch programs to all schools desiring such programs as rapidly as practicable.

SEC. 4. Section 11(e) of the National School Lunch Act is amended by inserting the following immediately after "the full cost of such lunches": "but in no event shall such amounts be less than an amount determined by—

- "(1) multiplying the number of meals served free in the school during such year by 40 cents or the cost per meal of providing such meals, whichever is less, and
- "(2) multiplying the number of meals served at a reduced price in the school during such year by 40 cents or the cost per meal of providing such meals less the highest reduced price charged, whichever is less:

Provided, however, That any school which requires a greater amount of reimbursement per meal served free or at a reduced price in order to fulfill the requirements of section 9 of this Act shall receive such greater amount if it can establish to the satisfaction of the State agency that it would otherwise be financially unable to support the service of such meals. The maximum per meal amount established by the Secretary shall in no event be less than 40 cents; and the Secretary shall establish a higher maximum per meal amount for especially needy schools based on such schools' need for assistance in providing free and reduced price lunches for all needy children."

SEC. 5. Section 9 of the National School Lunch Act is amended by inserting after "July 1 of such year" the following: "*Provided, however*, That during fiscal year 1972 such guidelines shall be considered only as a national minimum standard of eligibility and the Secretary shall reimburse during such fiscal year State agencies and local school authorities

for free and reduced cost meals served pursuant to eligibility standards established by State agencies prior to October 1, 1971."

SEC. 6. The Secretary shall not lower minimum standards of eligibility for free and reduced price meals nor require a reduction in the number of children served in any school district during a fiscal year to be effective for that fiscal year. This section shall apply to fiscal year 1972.

SEC. 7. In addition to any other authority given to the Secretary he is hereby authorized to transfer funds from section 32 of the Act of August 24, 1935, for the purpose of assisting schools which demonstrate a need for additional funds in the school breakfast program.

PARLIAMENTARY INQUIRIES

Mr. HALL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. HALL. Mr. Speaker, my parliamentary inquiry is that inasmuch as section 7 of this House Joint Resolution 923 would under normal circumstances and methods of consideration obviously be subject to a point of order because it involves a transfer of funds in an authorization bill, at what point under the motion to suspend the rules could such a point of order be offered?

The SPEAKER. The Chair will state to the gentleman from Missouri that the motion made by the gentleman from Kentucky (Mr. Perkins), itself calls for a suspension of the rules, which means all the rules, and, therefore, there would be no point in the consideration of the joint resolution under a suspension of the rules to make that point of order.

Mr. HALL. Mr. Speaker, a further parliamentary inquiry. Does the Chair mean to inform the Members of the House that the only way that we could get redress and relief from what would otherwise be a point of order, would be if the committee moved to suspend the rules and pass the bill with an amendment deleting that section?

The SPEAKER. The Chair will advise the gentleman from Missouri that the joint resolution comes to the floor under a motion to suspend the rules and pass it with amendments. The amendments will be under consideration, but only the amendments which are embraced in the motion made by the gentleman from Kentucky are in order.

Mr. HALL. Therefore, if this motion passes and we do suspend the rules, unless the gentleman making the motion yielded for the purpose of an amendment there would be no way to seek relief?

The SPEAKER. The Chair will inform the gentleman from Missouri that the gentleman who is making the motion to suspend the rules and pass this joint resolution cannot yield for the purpose of further amendment.

Mr. HALL. I thank the Speaker. The inequity of this technique of presentation is again obvious.

The SPEAKER. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. PERKINS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, initially I want to compliment the chairman of the General Subcommittee on Education, Mr. Pucinski, for his outstanding work and leadership in connection with this resolution. I also want to commend the ranking minority member, Mr. Quie, and members of the committee from both sides of the aisle for their cooperation and support of this necessary resolution.

House Joint Resolution 923 seeks to enforce the clear mandate of Congress that no child be denied a school lunch because of his inability to pay. The resolution is necessary because of two recent actions of the Department of Agriculture which are in direct conflict with that objective. The first action in mid-August was to severely restrict the amount of subsidy for lunches which are served free or at a reduced price to needy children. On August 26, I wrote Secretary Hardin protesting the new regulations. On September 10, I again protested the new regulations in letters to President Nixon and Secretary Hardin. Subsequently, the Department announced a revised policy, the effect of which would be to curtail participation of thousands of needy children. The committee immediately convened public hearings and within days House Joint Resolution 923 was approved unanimously by the committee.

Mr. Speaker, House Joint Resolution 923 contains two provisions which will, by legislative action, prevent the Department from using these two means to throttle the program for feeding needy children.

Additionally, the resolution strengthens the total school lunch program by providing an average reimbursement rate in any State of not less than 6 cents for all lunches served—to both needy and paying children—and authorizes the use of section 32 funds when needed for breakfast and lunches.

The urgency of this matter was brought to the committee's attention by a flood of protests from school authorities across the Nation, following the announcement of new guidelines by the Department of Agriculture. The Department proposed a reimbursement rate for lunches to needy children of 30 cents. This action set off a wave of anxiety among school administrators, because they were well aware that they would be unable to find the additional money to finance the lunch programs to which they had already become committed. Local schools planned and programed in expectation of support at, at least, last year's level, and in response to encouragement by the Department of Agriculture to expand the programs to reach more needy children.

May I cite typical expressions of the deep concern registered with the committee. From the Virginia Congress of Parents and Teachers:

The school lunch program in Virginia will be drastically curtailed if the new formula proposed by the Department of Agriculture for fund distribution is adopted this next Friday, October 1. For example, Virginia will lose \$900,000. Not only will many free lunches now being served have to be discontinued, but it will mean a loss of supplemental funds as well.

From Mr. G. Mills Whitelaw, principal of Berrian Junior High School in Nashville, Ga.:

We have just been notified that there is a possibility that school lunch reimbursements may be reduced. For all of us who are faced with the problem of feeding those children who are unable to pay it is most disheartening to think that the help that we have been receiving is going to be reduced. We are having a hard time making ends meet with labor and food costs so high.

From Doris Watts, director of Campbell County, Ky., school lunchrooms:

The cost of operating the School Food Service program last year was \$300,000. The cost of operating the School Food Service program this year is estimated at around \$380,000. With the increasing cost of operating our Food Service Program and more free and reduced price lunches, I feel that the Child Nutrition Program is at stake if reimbursement cannot be higher. No business can operate on deficit spending.

And finally, from Dr. Rodney D. Cathey, superintendent of the McAllen, Tex., school district:

My cafeteria system faces immediate bankruptcy under the present reimbursement rates which have evidently been set by the Department of Agriculture. When this occurs, all children will suffer the consequences. There is no way that my deficits can be taken from local tax monies. I would recommend your study of this serious problem and the ultimate consequences which must result not only in the destruction of the free lunch program, but also the possibility of destruction of the total school lunch program.

The results of a most recent survey undertaken by the Committee on Education and Labor support fully these expressed concerns of local officials that without additional funding the progress of the past few years would be arrested and that in every likelihood, many existing programs would be curtailed.

Returns from the States indicated a need of at least \$511 million in section 11 and section 32 funds in order to finance the number of free and reduced price lunches which will be served during this academic year. This is in contrast to the \$390,175,000 budgeted by the Department of Agriculture to provide lunches for needy children.

Furthermore, the survey asked each State to indicate the average rate of reimbursement from Federal funds which would be required—over and above the rate of section 4 reimbursement—to finance the expected service of free and reduced price meals. Thirty-four States indicated they will require a reimbursement rate in excess of the 30-cent average rate provided for in the new regulations. A majority of the States indicated a requirement of 40 cents or more. Many States with large programs indicated needs far in excess of the prescribed 30-cent rate. For example, Pennsylvania indicated an average rate of 45 cents will be required. California will require 40 cents; Florida 51 cents; Georgia 43 cents; Indiana 42 cents; Massachusetts 50 cents; Texas 40 cents; and Virginia 45 cents.

Finally, the States requested a section 4 reimbursement rate of more than the 5-cent average rate provided for in the proposed regulations. In the face of increased costs, an average reimbursement rate of 5 cents in section 4 funds will result in higher costs per lunch to paying students. As a result, according

to many experts, participation in the program will decrease with the unfortunate outcome that there will be less support at the local level for the entire school lunch program, including the provision of free and reduced-price lunches.

In early October, the Department suggested a new policy—one which would eliminate all children from families with an annual income of more than \$3,940 from the free and reduced-price lunch program. Again, State and local school authorities vigorously protested the new direction of curtailment—this time aimed squarely at the children—all those needy children whose families earned between the figure of \$3,940 and the various State income eligibility figures previously approved by the Department. These range between \$3,941 and \$6,250. For example, the eligibility figure for Michigan was set at \$4,280; in California at \$4,728; in Ohio \$4,530; in Kentucky \$4,530; and in Alaska \$6,250.

If the Department's income eligibility guideline of \$3,940 were to go into effect, it would necessitate notification to all children from families above \$3,940 who have already been certified as eligible that they no longer qualified. I cannot anticipate that Congress, which had so specifically asserted its intent in Public Law 91-248, would endorse such a reversal.

Last week, the Committee on Education and Labor, in an effort to determine the magnitude of the problem confronting the Nation's schools, sent out a questionnaire to all 50 States and the District of Columbia. Replies from only 44 States and the District of Columbia show a minimum total of 1,381,588 children who will be eliminated if this resolution is not approved. In my judgment, considering all 50 States, more than 1.5 million children will be adversely affected unless we again express through passage of House Joint Resolution 923 our determination that no child be denied a lunch.

Mr. Speaker, House Joint Resolution 923 as amended accomplishes seven important objectives, all of which are necessary to make sure that we move forward, and take no steps backward, in our efforts to feed all poor school children.

The first objective is to assure that all free and reduced price lunches, that were federally reimbursable as of October 1, 1971, remain federally reimbursable throughout this school year. The resolution accomplishes this objective by requiring reimbursement to school districts for all free and reduced price lunches served pursuant to such districts present free and reduced price lunch standards, as long as such standards were approved by the respective States prior to October 1, 1971. If a local school district's standards were approved by the State prior to October 1, 1971, then all free and reduced price meals served by the district pursuant to those standards would have to be federally reimbursed.

This part of the resolution would make it clear—if it was not clear already—that the USDA regulations announced on October 6 are illegal. School districts, with free and reduced price lunch standards that are higher than the "income poverty guideline," will continue to receive Federal funding for the free and reduced price meals served pursuant to those standards. Whatever standards were established by the local districts, and approved by the States as of October 1, would still be supported with Federal funds.

The second objective is to make sure that the reimbursement rates are realistic, thereby encouraging States and local districts to provide all needy children with free or reduced price lunches. The resolution accomplishes this by amending section 11(e) of the School Lunch Act. That amendment would establish minimum reimbursement rates to local school districts for free lunches at 40 cents, or the cost of serving such meals, whichever is less. For reduced price meals, the minimum reimbursement rate to the local school district would be 40 cents, or the cost of such meals minus the highest price charged by the school district for a reduced price meal, whichever is less. Under this formula, therefore, a basic minimum floor will be established for free and reduced price meals at 40 cents per meal.

The resolution further provides for reimbursement rates in excess of the guaranteed minimum per meal amount—that is, 40 cents—to school districts that are financially unable to continue providing free and reduced price lunches without additional financial assistance. The school districts seeking such aid would be required to demonstrate, to the satisfaction of the State agency, that they are unable to fulfill their obligations under section 9 of the act without such reimbursement.

The resolution also assures that the average reimbursement rate in any States, for all lunches served, shall never be less than 6 cents per meal, not including special assistance funds made available for free and reduced-price meals.

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The third objective is a logical extension of the second. That objective is to immediately provide the States with the necessary funds so that they can go ahead with the job of feeding needy children right away. The resolution accomplishes this purpose by requiring the Secretary to immediately release section 32 funds to the States, so that sufficient funds are available to feed every needy child. These funds are vitally and presently necessary to subsidize the cost of free and reduced-price lunches to poor children.

The fourth objective of this resolution is to assure an equitable distribution of the section 32 funds amongst the various States. This is accomplished by requiring the Secretary to apportion such funds in a manner that would best achieve the purposes of this resolution.

The fifth objective is to prevent the administrative chaos that we witnessed at the beginning of this school year due to the Agriculture Department's intended regulation changes. This part of the resolution would forbid the Secretary to change the standards of eligibility for free and reduced-price meals during any fiscal year where such actions are to become effective that same fiscal year. Moreover, the Secretary is prohibited from taking any actions that will reduce the number of children to be served in any school district.

In short, the first five provisions that I have just set forth would assure absolutely no cutbacks in the provision of free and reduced price lunches to needy children. Sufficient funds would be made available to State agencies and local school districts so that all free and reduced-price meals served pursuant to standards formulated by the districts, and approved by State agencies as of October 1, 1971, would be federally reimbursed. We, therefore, would only take steps forward, not backward, in our efforts to eradicate classroom hunger in America.

The remaining two parts of the resolution relate mainly to the school breakfast program and the expansion of the school lunch program in areas presently without school food services. First, the Secretary is required to report to the Congress about the need for additional funds to expand the breakfast program to every school that needs the program; the Secretary should also report to the Congress about the need for nonfood assistance funds so that necessary facilities and equipment can be obtained in each school district to operate child feeding programs.

Mr. Speaker, before closing may I discuss the costs involved in this resolution. First of all we are talking about the use of section 32 funds—funds already available for the lunch program, because of Public Law 92-32, approved by the House unanimously earlier this year. Passage of the pending resolution forces the Department to utilize this authority more fully. Obviously more will be spent than had been planned. The added costs are not unreasonable—they are necessary expenditures ordered by the Congress in previous actions.

The increase from 5 to 6 cents as provided in the resolution for cash reimbursements for all lunches served will result in an expenditure of approximately \$25 million more than the Department has committed itself to spending for fiscal year 1972. The requirement of a 40-cent minimum for every free and reduced price lunch will, according to the Department, result in no increase over present planned levels of expenditure if the States reimburse all meals at that rate. If the States, however, determine that there are schools in need of a greater rate of reimbursement, then the committee estimates expenditures may increase by approximately \$60 million. On this point the Department provided the committee with estimates ranging from no increase to \$176 million. The committee's estimate of a possible \$60 million increase is based on the committee survey and on information from the hearing record showing the level of program operations planned by the States.

The need for action to allay the uncertainties of children, parents, school administrators, and school lunch directors is urgent. The school year is already well underway. The Department's regulations on the use of funds have not been issued. School districts are being required under law to provide lunches to all needy children, but the districts have scant knowledge of where the money will come from to pay the cost. The resolution before you would remove the uncertainty and confusion which is seriously jeopardizing our efforts to feed hungry children, and would add much needed stability to the program of providing a nutritious lunch to all children in school. I strongly urge the House to adopt this measure.

Mr. FRASER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. FRASER. Mr. Speaker, I thank the gentleman for yielding.

I understand that this resolution prohibits the Agriculture Department from requiring a school district to reduce the number of children in its section 11—free- and reduced-price—program during the current school year.

Mr. PERKINS. The gentleman is correct.

Mr. FRASER. Mr. Speaker, in my district, the Minneapolis Board of Education was forced to cut back the number of children in its program 3 weeks after school began in September. This reduction was required as a result of the Agriculture Department regulations issued in August.

I understand that the resolution before us today would enable the Minneapolis Board of Education to restore eligibility to those children who were in the program at the beginning of the school year but who are now out; is that correct?

Mr. PERKINS. That is correct.

Mr. FRASER. Mr. Speaker, I thank the chairman and the members of the subcommittee for this help to our schoolchildren.

The SPEAKER. The Chair recognizes the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Speaker, I yield myself 5 minutes.

(Mr. Quie asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, the gentleman from Kentucky (Mr. Perkins), said that under the terms of this proposal, no child would be deprived of a school lunch because of inability to pay. I wonder if the gentleman meant unwillingness to pay?

Mr. QUIE. Mr. Speaker, I yield to the gentleman from Kentucky (Mr. Perkins) to tell the gentleman from Iowa what he means by that.

Mr. PERKINS. Mr. Speaker, we mean where a child is unable to pay.

It is the clear intent of Congress that every child in need receive a free lunch or reduced-price lunch.

Mr. GROSS. Does not the legislation provide that any child may have a free lunch regardless of ability to pay for it?

Mr. QUIE. No, no—I would say to the gentleman that there are eligibility standards and the bill provides for the eligibility standards set by the State as of October 1, 1971, will be the eligibility standard for this year.

Next year the Secretary will be able to set up, if he wants to, a standard of eligibility criteria across the Nation.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. QUIE. I yield to the gentleman further.

Mr. GROSS. Page 3 of the report states that:

This increase will allow the States to continue operating present programs for all children, needy and non-needy alike.

Mr. QUIE. That is talking about a different thing. The free or reduced-cost lunches are available only to those who are below that income criteria which is the eligibility standard set differently in each State under regulations in effect in previous years.

The Department of Agriculture wanted to set a standard across the Nation, but because the announced standard began after the school year began, this resolution provides that State standards will apply this year. However, all children can receive school lunches.

Under section 4 of the act an average of 6 cents for each child to each State will be made available for the lunches of all children. So there are two support programs. There is the provision of section 4 which provides assistance for lunches served to all children, whether they are the children of wealthy or poor; then there is section 11, for just those who are poor. Now, the 40 cents will be the minimum amount for reimbursement for section 11 lunches that is available to the States, and a higher rate can be set for individual school districts which have great financial need. But whatever they set, the 6 cents in section 4 will be in addition to that.

When you think of the free and reduced-cost lunches, the actual level of support will be 46 cents or more, and so far it has not been determined how much more it will be.

Mr. MYERS. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Indiana.

Mr. MYERS. Is there any provision in the bill that provides that a school may decide who is eligible as needy? The reference here is to cases where parents are so indifferent that they will not provide their school with the authorization. My wife does some work in the District of Columbia schools, and she has told me of instances where many children or quite a few are not served because their parents will not give consent to feed those children. Who makes that determination?

Mr. QUIE. There is a provision for self-certification. If the parents will not certify for one reason or another—some parents are too proud to give their consent, and there are instances where other children do not receive the food—but that does not exist as a major problem. I have heard criticism in which it has been said that some certify that they meet the income limitation or eligibility but who do not.

There is provision for spot checks on that to determine whether the information is accurate or not. That is something that will have to be worked out in the school districts as best they can do so. There is a provision in the law to make certain that every child from a family with an income below a certain level will be considered for free or reduced-cost lunches.

What parents must do who do not qualify is pay the 40 cents themselves rather than receive the 40 cents free, and that 40 cents is quite an inducement for the parent to certify that they are below that income criteria.

Mr. Speaker, the Department of Agriculture this morning submitted its new rules and regulations in which, it seems to me, it has agreed with all the provisions of this bill which we have before us except for one, and that one provision is that with reference to section 11, under the regulations, they will provide the 40 cents on an average to each State, and the number of free or reduced-cost lunches that are paid for in that State.

This bill provides that the maximum shall not be less than 40 cents. What it really means is that for every child that it has been determined comes from a family below the standards in that State and in that school district, a 40-cent payment will be made. As has been the case before, the State makes the determination which school districts are more needy, and therefore a higher payment can be made.

The reason the Department of Agriculture would like to have an average rather than a minimum is that it would then impose the responsibility on the administrator in the State that whenever the payment was increased to more needy school districts, he then would have to reduce the payment to the less needy school districts, and it has a self-policing effect.

We did adopt the amendment I offered as it applies to section 4—the 6 cents for the regular lunches—and that self-policing factor will be available to each State.

However, the committee felt strongly that a minimum of 40 cents ought to be made as a payment for each needy child for free or reduced-cost lunches, whether the school district was needy or not, and that adjustments in the program after that would have to be made in accordance with regulations of the Secretary and agreements between the Secretary and the State board of education. The present law does not provide Department standards or language to give the Secretary of Agriculture the authority to be definite in determining which school districts are needy. This is left to the State department of education to determine which school district is needy. I think there might be a tendency of the State departments of education to feel that if the Federal Government will pay it anyway, they might as well consider the school district needy.

So the Department of Agriculture I maintain is going to have difficulty in this coming year. It is something we can find out in the coming year. The gentleman from Illinois (Mr. Pucinski) is in charge of the subcommittee which handles this legislation. After a period of time he will have hearings to determine whether this is effective or not—anyway he will have oversight hearings.

In the bill which came out of the subcommittee, the part which we changed was the requirement that the so-called grandfather clause maintaining the eligibility standards in the States, the standards that were in existence prior to October 1, 1971, be also made available to the local school districts, because in some States the local school districts make that determination rather than the State. We struck out that language, so it will only be the States eligibility stand-

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ards as they vary from State to State which will be utilized in determining which students can receive free or reduced-cost lunches. In those cases—as in a few instances—where the local school districts have higher standards than the State, it will be necessary for them to comply with the State standard. This amounts to less than one-half of 1 percent of all the moneys for the children in the country anyway, so I do not believe this will cause any hardship at all.

House joint resolution is intended to help end the uncertainties that now exist in the level of Federal school lunch assistance in fiscal 1972 and in the rules under which that assistance will be provided. Schools have been operating for more than a month. So it is important that these uncertainties be ended as soon as possible.

This resolution deals with the concerns that were first expressed by State school lunch directors and by local schools following the August 13 issuance of proposed school lunch regulations by the Department of Agriculture. Those regulations spelled out the proposed rules under which the \$615 million in Federal school lunch cash assistance payments would be expended in fiscal 1972. That level of cash assistance payments was authorized in the Department's appropriation act for 1972.

The Senate has already passed Senate Joint Resolution 157 which deals with these 1972 cash assistance payments. The Department of Agriculture itself announced a revision in its original proposals, after considering the many responses to proposed regulations. It announced that it was planning an additional \$135 million in Federal cash assistance payments, bringing the total payments to \$750 million for 1972. That is \$214 million more than was spent for cash assistance payments last year, an increase of 40 percent in a single year.

The USDA announcement of October 6 continued its original proposal to place a floor under statewide average section 4 cash assistance payments at 5 cents per lunch. Section 4 assistance is paid on all lunches served by participating schools. In the absence of this Department proposal, up to 17 States would have had an average section 4 rate of less than 5 cents in 1972.

In this October 6 announcement, USDA also liberalized the average minimum statewide payment it would guarantee in additional section 11 payments to the 50 States and the District of Columbia. These additional section 11 payments are made for free and reduced price lunches.

The minimum average payment was increased by 10 cents—from 30 to 40 cents for each such lunch. But, USDA also announced that these liberalized payments would be limited to those free and reduced price lunches served to children from families with poverty-level incomes.

It was this last action—changing the rules under which section 11 funds would be available after the school year had begun—which is now of deep concern to State and local school officials and to members of the committee.

The resolution before the House today would:

Direct the Secretary of Agriculture to utilize funds available under section 32 to maintain adequate rates of reimbursement under section 4 and section 11. The Department's section 32 account could be repaid from any supplemental appropriation made available for 1972.

The resolution provides that the 50 States and the District of Columbia should have sufficient section 4 funds to average out at a 6-cent rate in fiscal 1972. Not all States will need additional funds to maintain a statewide average rate of 6 cents for the year.

A minimum section 11 rate of assistance of 40 cents for free lunches would be mandated by amendment to the National School Lunch Act. The minimum rate mandated for reduced price lunches would be 40 cents minus the highest reduced price charged in the school. If needed, schools could receive payments in excess of these minimum rates. The Secretary of Agriculture would spell out conditions of special need and the rate for such school.

The Department is required to distribute additional funds to States in an expeditious manner. The committee would not want schools to have to wait for payments due them because Federal payments were late in arriving in the State. It is not the intent, however, that unneeded funds be earmarked for use in States early in the fiscal year, as was the case last year.

Section 5 of House Joint Resolution 923 makes it clear that the Department must make section 11 payments for lunches served in accordance with the standards State educational agencies had in effect on October 1 of this year. In effect, the standards mandated or recommended by State educational agencies would replace the USDA-proposed poverty income standard for section 11 payments.

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The resolution authorizes USDA to use section 32 funds for the school breakfast program in 1972 and requires the Secretary to report to the Congress on the current status of school breakfast and nonfood assistance funds. It is contemplated that the Secretary would include in that report his planned use of section 32 funds for the school breakfast program in 1972.

In spite of the widespread concerns the USDA August 13 proposals generated, I believe the Department should be commended for the policy it now follows in providing concerned public and private groups full opportunity to participate in the school lunch rulemaking process. This policy was first adopted under Secretary Hardin, after more than 20 years of operation under the National School Lunch Act.

The adoption of this policy, alone, is evidence of this administration's commitment to child nutrition programs. Its actions to substantially increase Federal funding is still stronger evidence of that commitment.

Under the appropriations originally authorized for 1972, Federal support for child feeding programs totaled more than \$1.1 billion. This was double the level of Federal support provided in 1968.

Most of this increase in Federal support has been used for the national school lunch program.

In addition to \$750 million which will be spent under sections 4 and 11 in fiscal 1972, about \$300 million will be available in commodity assistance for schools, \$16 million will be available to help needy schools buy equipment, and \$3.5 million will be available to help States with their administrative expenses.

The commitment of this administration, backed by those tremendous increases in Federal funding, have resulted in more progress than has ever before been recorded. More than 80,000 schools are now participating in the national school lunch program. These schools enroll 84 percent of all elementary and secondary students.

By the end of the last school year, nearly 25 million children were being reached with a school lunch. The number of children being reached with a free or reduced price lunch increased by 82 percent during the course of the last school year. In September, 4 million children were being reached. By April, the number being reached has increased to 7.3 million.

In the past 2 years, over 20,000 schools, already participating in the program, upgraded their grossly inadequate equipment with Federal help. In 1970 and 1971, a total of over \$40 million was made available to already participating schools. In the same 2-year period, nearly 2,000 needy schools received Federal help in purchasing the equipment they needed to start a food service program.

As these actions were taken to reach needy children with a school lunch, family food programs were improved and expanded to improve the home diets of these same needy children. The Federal budget for all food programs in 1972 will be about \$4 billion. Less than \$1 billion—in fact, less than \$900 million—was devoted to food programs in 1968.

I believe that House Joint Resolution 923 should be regarded as only an interim action. I will urge the Committee on Education and Labor to undertake a detailed review of the national school lunch program. The substantial increases in Federal funding, alone, would dictate such a review.

We need to look at the method of Federal funding and the apparent complexities of that funding structure. Section 32 funds do not represent a sound method for funding the program on a continuing basis. Once the current \$300 million annual carryover in section 32 funds is tapped, other funding sources will need to be found.

Currently, there appears to be no agreement as to what level of program funding is necessary to insure that progress continues, nor how Federal, State, and local sources should share in that funding. When the committee developed major legislative reforms in 1970, for example, we provided for increased program support from State tax revenues, beginning in the fiscal year 1972, and directed that these tax revenues be concentrated on assistance to needy children and needy schools. Yet, it is clear that the Federal Government accepts almost all, if not all, of the cost of providing free and reduced price lunches to children they determine in need of a free or reduced price lunch.

The National School Lunch Act now mandates that children from poverty-income families are unable to pay the full price of the lunch. It may well be that Congress should consider developing more definitive guidelines for determining need, if the Federal Government is to pay the full cost of such lunches. It was brought to the committee's attention that some local school districts have established eligibility standards of up to \$6,000 for a free lunch for a family of four—

or up to \$7,500 for a reduced price lunch. Such standards would have to be brought into conformance with State standards under the provision of House Joint Resolution 923.

I wish to make perfectly clear the committee action with respect to the use of State eligibility standards under section 11. The committee was informed by the Department of Agriculture that the 50 States and the District of Columbia had all announced State standards as of October 1. It is those State standards, whether announced as required, recommended, minimum or suggested standards, that the committee intends to be recognized as mandatory by the Department of Agriculture in expanding section 11 funds in 1972.

The subcommittee had suggested making it mandatory for the Department to recognize any local school standards that had been announced. But, I found that in a few instances school systems had announced standards in excess of that recommended by the State—as high as \$7,500 for a family of four. The committee action sustained my view that we should use only the State-established standards.

I believe the Congress can place reliance on the recommendations of experienced State school lunch directors—who should be in the best position to judge the needs of the program. Only a very small proportion of lunches would be affected—less than half of 1 percent.

As the Federal Government moves to finance a greater and greater share of the cost of providing school lunches to needy children, there is a need to assure that reasonable measures of ability to pay are used by the States and by the schools.

This resolution will provide Federal special assistance for free and reduced price lunches to all children the States believed to be in need of such lunches this school year.

I believe our committee and the House need to make a more detailed review of the national school lunch program. But, in the interim, it is essential that we finalize the 1972 program. I believe we must recognize the State decisions that were made in good faith by October 1, 1971. This resolution will do that without also approving local options to move above those State recommendations.

Nonetheless, timely action is now necessary. Approval of House Joint Resolution 923 will permit us to move forward with the Senate and with the Department of Agriculture to finalize the 1972 school lunch program.

I believe this is a good piece of legislation. I think the regulations the Department has now adopted, as I said, come practically to the point where they accept this, and the difference is not enough to cause anybody to vote against the legislation. I urge all my colleagues to support the legislation.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from Illinois (Mr. Pucinski) such time as he may consume.

Mr. PUCINSKI. Mr. Speaker, I rise in support of the motion to suspend the rules and pass House Joint Resolution 923 which has been unanimously reported from the Committee on Education and Labor.

This resolution is the response of the Committee on Education and Labor to the Department of Agriculture's announced plans to drop 1.3 million children from the national school lunch program by reducing reimbursements for meals served by local school authorities and by restricting eligibility for the receipt of free and reduced-price lunches to children from families whose incomes do not exceed the USDA income poverty guidelines. Such changes in the program by the Department would severely cripple the program and would clearly contravene the intent of Congress. I am most grateful for the bold leadership the gentleman from Kentucky (Mr. Perkins) has provided to correct this intolerable denial of free or reduced-price lunches to needy children of America.

I am aware that the Department announced additional regulations today which parallel this resolution but I believe formal action on the resolution before us today is still necessary because the language in the Department's announcement is somewhat fuzzy and I want to make sure we have legislation to precisely spell out the intent of Congress that no child goes hungry in this Nation. This resolution is only for the remainder of the fiscal year. I understand the administration is about to present to Congress an entire rewrite of the lunch program for 1973 and thereafter.

The 1970 amendments to the act charged the Department with the duty of insuring that no poor child in America would go without lunch. By so doing, Congress made a commitment to the needy children of America that it has

reiterated as recently as last June when it passed Public Law 92-32 which requires the Department to transfer as much as is necessary from section 32 to feed every needy school child.

On August 13, 1971, the Department published in the Federal Register a notice of proposed rulemaking that would have had the effect of reducing reimbursement payments to the States from approximately 48 cents for each free and reduced-price lunch to something less than 35 cents. Reimbursements for fully paid lunches would have been lowered from 12 cents to something less than 5 cents. The Department offered a confusing explanation saying that, in effect, these reductions were a step forward toward "management integrity." The response from State school lunch directors, local school districts, individual citizens knowledgeable in the program, and newspaper editors across the country, indicated that the Department was alone in its view.

The Senate Agriculture Committee responded by proposing a joint resolution that would forbid the Department from setting maximum rates of reimbursement at less than 5 cents for general assistance lunches and at less than 40 cents for free and reduced-price meals. The Senate considered the measure on October 1, 1971, at which time Senator Miller, of Iowa, successfully amended the resolution to set the maximum reimbursement at 6 cents for general assistance for school lunches. The Senate adopted the resolution the same day by a vote of 75 to 5.

The response of the Department was to set the rates at 40 cents for free and reduced-price lunches and 5 cents for general assistance lunches, but also to change the income poverty guidelines established as minimum eligibility criteria for needy children across the country to maximum criteria. In other words, Federal reimbursement was to be withdrawn from lunches served to children from families whose incomes exceeded \$3,940 per year for a family of four.

The Department was apparently determined to reduce expenditures. If Congress were going to require reimbursement levels of 40 cents and 6 cents, then the Department was going to require the elimination of a large number of needy children from the program. Some estimates of this proposed rule's effect place the number of children affected at more than a million.

The Department does not have the authority to transform the income poverty guideline from a national floor into a national ceiling. At the time of the passage of Public Law 91-248 Congress made clear that the intent of establishing a national income eligibility standard was to set a floor under the discretion that local districts have had in determining eligibility since the creation of the program in 1948. The Department is obligated under present law to provide Federal reimbursements to States and through them to local school districts for lunches served to needy children who are eligible under the local criteria that has been approved by the State.

Presently all local school districts establish, with the approval of the State such standards as they deem necessary to carry out their obligations under the act which requires them to see to it that no needy children are denied a lunch simply because they are unable to pay.

These local districts have been, in fact, encouraged by the Department to set standards higher than the USDA minimum. In the summer of 1971 the Department issued a document entitled "Basic Guidance" which suggested that States and local districts consider establishing an eligibility standard of \$4,530 for free lunches for a family of four having three children in school.

Eligibility scales were established by the local school authorities with the approval of their respective State agencies. Many exceed the Secretary's income poverty guideline because the local authorities determined that such levels of income eligibility were necessary to reach the needy children in their districts.

Section 5 of this resolution requires the Secretary to continue to provide Federal reimbursement for free and reduced-price lunches served pursuant to either statewide eligibility scales established by the State agency or local eligibility scales approved by the State agency that are higher than the Secretary's income poverty guideline. These higher scales must have been established or approved by the State agency prior to October 1, 1971, to receive such Federal reimbursement. Thus, where a State agency established a mandatory income eligibility scale for all its local districts at a level higher than the Secretary's "income poverty guideline," all the free and reduced-price lunches served under that higher scale would be federally reimbursed. And, further,

where a State agency allowed a local district to set its own scale higher than the statewide scale—that local district would also receive Federal reimbursement for the free and reduced-price lunches it served, provided only that these scales were established or approved by the State agency prior to October 1, 1971.

I would like to insert in the Record at this point a table showing the income criteria established by State agencies and the number of children who would be deleted if the changes proposed by Agriculture are not defeated:

State	State poverty guideline ¹	Number of children eliminated	State	State poverty guideline ¹	Number of children eliminated
Alabama.....	\$3,940	.....	New Jersey.....	\$4,900	.....
Alaska.....	6,250	16,000	.....	5,500	75,000
Arizona.....	3,941	1,290	New York.....	.....	410,000
California.....	3,940	.....	New Mexico.....	3,940	7,500
.....	4,728	100,000	.....	4,530	.....
Connecticut.....	4,400	20,000	North Dakota.....	3,940	.....
Delaware.....	3,940	953	.....	4,530	.....
.....	5,020	.....	Ohio.....	3,940	.....
District of Columbia.....	4,830	12,000	.....	4,530	.....
Florida.....	3,940	22,000	Oklahoma.....	3,940	12,000
.....	4,530	.....	.....	4,530	.....
Georgia.....	3,940	45,000	Pennsylvania.....	4,000	112,000
.....	4,530	.....	Rhode Island.....	4,220	21,000
Hawaii.....	4,500	.....	.....	4,750	.....
Idaho.....	3,940	1,448	South Carolina.....	3,940	.....
Illinois.....	3,940	40,000	South Dakota.....	3,940	5,000
Indiana.....	.....	.....	.....	4,400	.....
Iowa.....	3,940	8,187	Tennessee.....	3,940	10,000
.....	4,530	.....	.....	4,530	.....
Kansas.....	3,940	1,500	Texas.....	3,940	25,000
Kentucky.....	4,530	16,000	.....	4,530	.....
Louisiana.....	3,940	.....	Vermont.....	4,000	6,000
Maine.....	3,720	10,000	.....	5,999	.....
.....	4,530	.....	Virginia.....	3,940	30,000
Maryland.....	4,040	30,000	.....	4,530	.....
.....	4,440	.....	Washington.....	3,940	23,180
Massachusetts.....	4,182	101,250	.....	4,320	.....
.....	4,857	.....	West Virginia.....	3,948	20,000
Michigan.....	4,280	100,000	.....	4,872	.....
Missouri.....	3,940	19,990	Wisconsin.....	4,280	5,500
Nevada.....	3,940	750	Wyoming.....	3,940	.....
New Hampshire.....	4,100	5,600	.....	4,530	.....
.....	4,200	.....	Total.....	.....	1,314,148

¹ Where 2 eligibility figures appear, the upper one is for a free lunch, and the lower one is for a reduced price lunch.

Mr. QUIE. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Peyser).

(Mr. Peyser asked and was given permission to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, from time to time we have all been painfully aware of what is termed a crisis of confidence in our Government, especially among our young people.

The Congress in particular has been scornfully described as too insensitive, too unwieldy, and too slow. While I do not subscribe to this point of view, I do believe that today we have an opportunity to demonstrate to our critics that we can be timely, unlightened, and humane.

Twelve days ago the Agriculture Department announced its ill-considered plan to eliminate over a million children of low-income families from federally subsidized school lunch programs.

Just 6 days ago I, together with Mr. Meeds, of Washington, introduced an amendment to the General Subcommittee on Education designed to reverse the Agriculture Department's decision and restore Federal school-lunch subsidies for all who were receiving this aid as of October 1, 1971.

Today—less than a week later—we will vote on this motion and I am confident that we will vote favorably. In so doing we will have acted incisively, compassionately, and with exemplary speed.

A democracy is by design a slower, more deliberate form of government than is a totalitarian system where one man's word is law. This in fact is democracy's strength. Nevertheless, our democratic government can act with speed and sensi-

tivity when circumstances warrant, as we are demonstrating here today. It is a lesson which should not be lost to those who profess to have no faith in democracy.

For this reason and for the good of over a million of our children I hope that the program will be passed by an overwhelming majority.

Mr. QUIE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the gentleman from New York indicated that the administration was in some way negligent in its duties and stingy with the money for the school-lunch program.

I recognize the problem of eligibility standards, which has caused a difficulty in providing school lunches in some of the schools throughout the Nation, for some schools have set eligibility standards up to \$7,500. That is not exactly the incidence of hardship in a family we were expecting.

Let us look at what has happened through the years. In 1968 the amount of money provided for the school-lunch program was \$159.6 million. In 1970, 2 years later, it was nearly doubled, to \$300 million. Then between 1970 and 1971 the assistance program increased another 79 percent to a total of \$536 million and for this fiscal year the Department has already announced its intention to spend \$750 million under section 4 and section 11.

When we add what has been required in this bill, on which the administration changed its rules, they asked for fiscal year 1972, \$615 million and we are adding here at least another \$171 million, bringing the total up to \$791 million. This is, I believe, a substantial increase in the amount of money.

When we look at the total child-feeding program, we have over a billion dollars being expended by the Federal Government at the present time. Let us not consider the administration as unwilling to go along in providing assistance to needy children. That is not the case at all.

The argument was over the eligibility standards as set by the States. That really came about because so many school districts did not take part in the school-lunch program until the improved assistance was made available, under this administration. It really got into trouble in this year.

All of us realize there ought to be some kind of standard across the country, so that a child of one income level in New York should not be able to receive assistance when a child across the line, with the same family-income level, in Pennsylvania cannot receive assistance. We should have standardization, and it should not be done in such a way that we hurt the financial situation of school districts, which are in trouble.

That is why we passed this legislation, in order to protect the interests of the school districts.

Mr. PERKINS. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. Meeds).

(Mr. Meeds asked and was given permission to revise and extend his remarks.)

Mr. MEEDS. Mr. Speaker, after Congress passed the School Lunch Reform Act of 1970, President Nixon affixed his signature to the bill and called for "an end to hunger in the Nation's classrooms."

With or without the President's consent, officials in the Department of Agriculture and flinty-eyed cranks in the Office of Management and Budget have attempted to undercut the will of Congress and render meaningless the President's remarks of last year.

House Joint Resolution 923 is the proper response to the actions of these coldhearted officials. On August 13 they announced that the Government would trim its school lunch reimbursement to the States by 7 cents. They would do this by furnishing 5 cents for general cash-for-food assistance and another 30 cents for free or reduced price lunches. Last year's combined figure was 42 cents.

Educators observed that not only were more children being served by the program every year, but there had to be an increase in Federal funding simply to maintain pace with the 1970-71 school year. Many school districts viewed the August 13 announcement as the death knell for child feeding in their area.

The Mukilteo School District near Everett, Wash., illustrates vividly the impact of a depressed economy on the school lunch program. Ted Knutson, food services director, wrote to me on October 4 and pointed out that the school district served 5,600 reduced price lunches in the 1968-69 school year. By the 1970-71 school year, reported Mr. Knutson, the district was serving 62,196 free or reduced price meals.

Following the national uproar over the August 13 announcement, a momentary feeling of guilt and shame may have entered the hearts of administration

officials. On October 6 they reversed their decision and said that the reimbursement level would be 40 cents and 6 cents. I applauded their turnabout.

But to these officials hungry schoolchildren count less than figures in the Government's ledgers. In conjunction with their reversal on funding, they announced that no child could qualify for a free or reduced price lunch if family income exceeded \$3,940 for a four-member family.

The impact of this give-and-take-away-again policy would be staggering. As many as 1,500,000 children now eligible would be denied participation in the school lunch program. In Washington State 40 percent of the youngsters being fed last year would become ineligible.

Mr. Speaker, during the general subcommittee's work on the resolution before us this afternoon, I offered an amendment to prohibit the Department of Agriculture from changing the income guidelines in effect as of October 1. It was accepted and is included in House Joint Resolution 923. Joining me as a sponsor of the amendment was my colleague from New York, Peter Peyser.

Our committee has not taken pleasure in requiring a fixed level of support and in cementing income eligibility rules. I regret deeply that we have been forced into a confrontation with the administration.

Yet there is no alternative. Nutrition and learning ability are inseparable. The Congress has on numerous occasions expressed a commitment to the children; the National School Lunch Act must be expanded and administered properly. We are not going to fail the children and are not going to let distant bureaucrats sacrifice their nutrition to the idol of false economy.

Mr. PERKINS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Hawaii (Mrs. Mink).

(Mrs. Mink asked and was given permission to revise and extend her remarks.)

Mrs. MINK. Thank you, Mr. Speaker, I rise to express my strong support for this urgently needed legislation. House Joint Resolution 923, which was unanimously reported by the Education and Labor Committee, would assure that the congressional commitment to feed the Nation's hungry schoolchildren is not subverted by budget cutting administrators. It would prevent cuts in the school lunch program contained in new guidelines recently issued by the Agriculture Department. As Dr. Jean Mayer, noted nutritionist and chairman of the White House's 1969 Conference on Nutrition and Hunger, said last week:

We ought to find better ways to save our money than to take food out of the mouths of hungry children.

This legislation would guarantee that further attempts to trim the Federal budget are not undertaken at the expense of this country's hungry children.

Over the past 3 months, the administration has considerably tried to trim the school lunch program; first, by imposing an arbitrary and totally unrealistic spending ceiling and then, when that attempt was thwarted by Congress, by seeking to reduce the number of eligible children. Under the terms of the first set of regulations issued on August 13, each State would have received an average of 5 cents in general cash-for-food assistance for each lunch served and 30 cents in special cash assistance for each free and reduced price lunch served. The response from local officials responsible for the program was overwhelmingly negative. It was clear that the new guidelines would not only prevent program expansion to feed and estimated 1 million additional students but would have the effect of denying lunches to many needy children who received free or reduced price lunches in the last school year as well.

In response to this public outcry, both the Senate and House moved to remedy this situation, and the Senate passed a resolution on October 2, 1971, guaranteeing a Federal support level of 40 cents for all free lunches served to children under the National School Lunch Act and mandating a proportionate contribution for reduced price lunches. This provision is included in House Joint Resolution 923. Realizing that their August 13 proposal was about to be overturned, the Department of Agriculture liberalized payments to the States but issued at the same time new restrictions which would have deprived an estimated 600,000 children of a school lunch. I ask my colleagues to remember that for many of these children the lunch which they receive at school is the most substantial and often the only hot meal they receive during the day. No one can reasonably condone depriving these children of a school lunch, yet this is exactly what the administration wishes us to do.

The regulations which the Department of Agriculture sought to implement on October 11 would have barred reimbursement for meals to any needy child with a family income of over \$3,940. This would have been a rigid nationwide standard and would have completely ignored regional variance. In some rural areas, \$3,940 would have encompassed most of the needy families, but in most urban areas this figure would have excluded thousands of deserving children. House Joint Resolution 923 prevents the Secretary from changing State eligibility standards adopted prior to October 1, 1971, and in addition prevents the Secretary from changing income levels or eligibility standards after the commencement of any fiscal year. If changes are warranted local school authorities must be allowed adequate time to adjust to them.

Mr. Speaker, this legislation is an important step in our continuing efforts to end hunger in this country. It cannot wait to be solved in the long run, for as Harry Hopkins noted more than 30 ago—

People are not hungry in the long run; they are hungry today.

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York (Mr. Ryan).

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. RYAN. Mr. Speaker, I should like to commend the distinguished chairman of the committee (Mr. Perkins) and the distinguished chairman of the subcommittee (Mr. Pucinski) for the promptness with which they have acted on this very important and pressing problem.

I strongly support House Joint Resolution 923 which would assure that every needy schoolchild receive a free or reduced lunch as required by section 9 of the National School Lunch Act.

It is extremely unfortunate that 2 years after the President pledged that every disadvantaged child in America's schools would receive a free or reduced price lunch such a resolution is needed. But needed it is, for just 2 weeks ago the Department of Agriculture attempted to undertake actions that would have forced some 1,300,000 poor children out of this program and deeper into hunger and malnutrition.

That hunger and undernourishment should continue to exist at all in a society as affluent as ours is unconscionable. But what is even less justifiable is the failure of the Federal Government to respond to the plight of hundreds of thousands of young children trapped in poverty by insuring that they get enough to eat.

Upon coming to office, the Nixon administration asked that the American people judge it by its deeds, not its words. Using that as the standard, this administration has demonstrated once again a cruel and indefensible indifference to the needs of this Nation's poor. For while giving lip service last week to the National School Lunch Week, the administration was attempting to slash that program, pushing some 1,300,000 children nationwide farther into the jaws of hunger and malnutrition.

This would have been the effect of the new Department of Agriculture regulation setting the eligibility for the school lunch program to \$3,940 for a family of four. In New York City alone, this decision would have cut off free lunches for some 350,000 of the 390,000 schoolchildren to whom lunches are now being provided.

Previously, the eligibility level for the school lunch program in New York was \$4,250 for a family of four. There is no question that a family whose income is that—or even considerably higher—is very much in poverty and hard pressed for children's lunch money. Yet, at a time when eligibility should be expanded considerably to meet the problems of hunger and undernourishment, the Nixon administration attempted to cut it back.

Therefore, last week I organized a bipartisan group of 18 New York Members of Congress to protest the Department of Agriculture's decision. We urged that Secretary of Agriculture Hardin cancel that decision and insure that no child now receiving the benefits of the school lunch program be adversely affected by any administrative decision of the Department.

As a result of congressional concern, today the Department of Agriculture rescinded the eligibility ceiling and raised the total minimum reimbursement to States to 46 cents per meal. Previously, on August 13, the Department of Agriculture had announced an inadequate reimbursement of only 35 cents per meal. Despite the administrative action now taken by the Department of Agriculture, the need for the passage of House Joint Resolution 923 is clear.

It would mandate by congressional action those measures urged in our telegram to Secretary Hardin. It would by law prohibit the Department from imposing an eligibility ceiling by requiring the Secretary to reimburse schools for meals provided needy children eligible under income standards set by State agencies as of October 1, 1971. And it would set a 46-cent minimum Federal subsidy for each meal provided for disadvantaged children under the free and reduced price school lunch program.

It is indefensible that the administration tried to cut back this program. This resolution would insure that it does not happen again.

At this point I include in the Record the text of the telegram sent to Secretary Hardin protesting his action with respect to the school lunch program.

OCTOBER 14, 1971.

Hon. CLIFFORD HARDIN,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: On May 6, 1969, President Nixon stated that "the moment (is) at hand to put an end to hunger in America itself for all time."

We believe that the recent decision by the Department of Agriculture to lower the eligibility ceiling for the free school lunch program to \$3,940 for a family of four runs directly counter to the President's avowed commitment to eradicate hunger from this Nation.

This regulation will adversely affect hundreds of thousands of disadvantaged children throughout the country. It is estimated that in New York City alone, some 350,000 of the 390,000 school children now receiving these lunches will be forced out of the program.

This regulation cannot be countenanced. It is essential that this program be broadened to meet the problems of hunger and malnutrition, not slashed thus perpetuating them. Therefore, we urge you in the strongest possible terms to cancel the decision to lower the eligibility ceiling and to insure that no child now receiving the benefits of the school lunch program be adversely affected by any administrative action of your department.

Sincerely,

WILLIAM F. RYAN, BELLA ABZUG, JOSEPH ADDABBO, HERMAN BADILLO, MARIO BIGGI,
JONATHAN BINGHAM, FRANK BRASCO, HUGH CAREY, SHIRLEY CHISHOLM, JOHN DOW,
THADDEUS DULSKI, SEYMOUR HALPERN, EDWARD KOCH, JOHN MURPHY, BERTRAM
PODELL, CHARLES RANGEL, BENJAMIN ROSENTHAL, JAMES SCHEUER, and LESTER
WOLFF.

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Dellums).

(Mr. DELLUMS asked and was given permission to revise and extend his remarks.)

Mr. DELLUMS. Mr. Speaker, compared to the staggering amounts this Nation wastes on subsidies to the rich and to major corporations, and for our absurd adventurism throughout the world, it is a tragedy that the administration and the Congress ever even considered cutting back in the school-lunch program.

I support the objectives of this resolution, and the attempts by the committee to assure that as many children as possible benefit from this program.

Had the administration's misguided efforts to reduce the school-lunch program been adopted, who would have gained?

As an example—and I think it is probably a typical situation for many other large cities as well—I would now like to insert in the debate a letter I received this morning which outlines what the administration's proposals would have done to the exemplary Oakland public schools free-lunch program:

OAKLAND PUBLIC SCHOOLS,
Oakland, Calif., October 15, 1971.

Hon. RONALD DELLUMS,
Congress of the United States,
Washington, D.C.

DEAR CONGRESSMAN DELLUMS: This letter concerns the new regulations announced by the U.S. Department of Agriculture on October 7, 1971 for the federally subsidized free lunches served to needy students.

It was announced that the federal contribution for each free or reduced price lunch served to needy children would be increased from 35 to 40 cents. The U.S. Department of Agriculture further stated that the Federal Income Scale to determine eligibility for free lunches must be used. This scale was part of the 1970 National School Lunch Reform Act to require all districts to serve a free or reduced price lunch to all children from families who met the poverty income guideline. Districts were allowed to establish more lenient guidelines.

Oakland has had a free lunch program since 1966 and our income scale was developed at that time. Our scale has continued even though a federal scale was later made available. The Oakland guidelines have allowed free lunches to all children from homes receiving any form of welfare assistance, children from homes certified to receive food stamps and children placed in foster homes. The new federal scale does not allow these categorical aid families free lunches automatically. All families must have a total income below the following federal scale:

Family size	Gross monthly income	
	Federal scale	Oakland scale
2.....	\$223	\$268
3.....	276	331
4.....	328	394
5.....	378	454
6.....	426	512
7.....	470	564
8.....	514	616

The Administration acted wisely in increasing the reimbursement for free lunches from 35 to 45 cents. This will mean an additional \$300,000 of revenue to this district so we can do a better job feeding needy students and it also nearly eliminates a projected free lunch deficit. However, the Administration at the same time makes it mandatory that the federal income scale be used to qualify needy students and this will deny approximately 8,000 students per day a free lunch who are now qualified to receive free lunches and will withhold over \$500,000 from this district alone for free lunches. Of the 27,000 meals per day served last year, 75 percent were either free or reduced priced meals. This year the district expects to hit 3 million in free meals. With the U.S. Department of Agriculture Income Scale reductions, the number would only be 1.8 million meals for 1971-72.

We contend that this denial of free lunches is not based on fact or even shortage of funds but just on political defiance between the Congress and the Department of Agriculture. Further, a drastic change in this program this late in the school year could disrupt an otherwise very productive school year for Oakland students. We are further convinced that the Federal Income Scale may be appropriate in the Mississippi Delta or Appalachia but due to high rent and general cost of living in the Oakland Bay Area it is not appropriate here.

Our specific request is for the Congress to prevail on the Department of Agriculture to allow a 25 percent variance in the Federal Scale to be decided by the local Boards of Education. We are also requesting no further disruption in the free lunch program during the school year by the U.S. Department of Agriculture.

Your attention to this urgent matter will be appreciated by all concerned.

Respectfully yours,

MARCUS A. FOSTER,
Superintendent of Schools.

I hope that our action today will preempt the danger that programs such as Oakland's would be so seriously retrenched as the result of a whim by some "supereconomizer."

However, there is one point about this resolution which I feel still is far short of a desired norm for such an important national commitment. Section 5 of the resolution in its original language stipulated that—

During fiscal year 1972 such guidelines shall be considered only as a national minimum standard of eligibility and the Secretary shall reimburse during such fiscal year State agencies and local school authorities for free and reduced cost meals served pursuant to eligibility standards established by State agencies and local school authorities prior to October 1, 1971.

Unfortunately in this final form before us today, the reference to eligibility standards established by local school systems has been deleted, and I think this is a major problem for some school lunch programs.

Just as we know that poverty subsistence levels vary widely among States and regions, so do these standards differ between parts of States. The poverty line for rural areas may be much below that of a central city. Yet, as I understand the resolution as it is before us today, were a city to have eligibility standards higher than those of the State, that city school system would be forced to deny free school lunches to many needy children.

As an alternative to the language before use today, I would suggest that provisions be made that State eligibility levels should allow higher local eligibility levels and that this variance be included as an integral component of the overall State standards.

Mr. PERKINS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. Abzug).

(Mrs. Abzug asked and was given permission to revise and extend her remarks.)

Mrs. ABZUG. Mr. Speaker, I rise in support of this resolution.

Mr. Speaker, the resolution we are considering today—House Joint Resolution 923—has my strong support. It states, clearly and in detail, Congress' intent to have an effective set of child nutrition programs. It is necessary in light of the continued refusal of the administration to actively and properly implement the

school lunch and school breakfast provisions of the child nutrition acts. It is urgently needed if Congress truly wants to see its commitment to provide meals to schoolchildren fulfilled.

This is an emergency resolution because the Department of Agriculture has created an emergency situation all across the country. Not only have they moved to reduce the amount of money going to these programs and the number of children receiving assistance, but they have also kept altering the means of accomplishing this. Thus, the Senate-passed resolution of October 1 was made obsolete by a new set of regulations issued on October 6; the resolution we are considering today, which was drafted only a few days ago, was partially affected under the terms of a press release issued by the Department only this morning.

The Senate resolution sought to set at 45 cents the amount of reimbursement paid for the lunches of needy children; the October 6 switch by the Department purported to fix this restoration figure, but at the same time would have eliminated between 600,000 and 1 million children from the program by tightening eligibility standards for free and reduced-price lunches. For New York City, this would have meant dropping from the program a majority of the participating children. For the State of New York, this would have meant dropping 30 new programs planned for this school year.

This morning's turnabout by the Department of Agriculture—and I note that it was in the form of a press release rather than final, official regulations—returned to the States the right to establish their own eligibility levels, though it failed to permit localities to establish higher levels, even where those levels were clearly necessitated by local conditions and previously in effect. For New York City, this would have meant dropping the level from \$4,500 to \$4,250 per annum, despite the fact that it has one of the highest cost-of-living levels in the Nation. It would have meant the dropping of thousands of needy children from the program.

Fortunately, the pending resolution clears up this shortcoming by prohibiting the Secretary of Agriculture from lowering minimum standards of eligibility and from reducing the number of children served in any school district during the current fiscal year.

It is tragic that the action outlined in this resolution is necessary. Last year, Congress passed Public Law 91-248, which required that every needy schoolchild receive a free or reduced-price lunch. The intent of Congress in passing that law made it unmistakably clear that an adequate set of child nutrition programs, providing meals for needy children, was a primary goal of this Nation.

Earlier this year, Congress had to counter the disastrous result of administrative actions by providing adequate funds for the summer child feeding programs. Today, we are again forced into assuring that the administration follows our intent and meets the needs of hungry children. I urge the passage of this resolution, so that our children may receive the meals that the Federal Government is by law committed to provide.

Mrs. CHISHOLM. Mr. Speaker, in an affluent society, such as our own, there is absolutely no excuse for hunger and poverty to be prevalent. Our society must surely take responsibility for seeing that its young receive a proper diet. Particularly, it is important that young schoolchildren receive nutritious meals. Without proper food, they cannot be expected to perform up to par in school. They cannot be expected to maintain concentration on academic affairs if they must keep their minds on the pain in their stomachs.

House Joint Resolution 923 reminds us that there is indeed hunger in America and that it is prevalent in many of our schools. To counteract this outrage against our young, it is our responsibility to authorize the appropriation of such funds as will guarantee that none of our schoolchildren will go hungry.

I wholeheartedly support House Joint Resolution 923 with its provisions for a 46 cents minimum Federal subsidy for each meal provided for needy children under the free and reduced price school lunch program. Additionally, I oppose attempts on the part of the administration to limit eligibility for these lunch programs to children from families with an income of less than \$3,940.

I urge all my colleagues to support House Joint Resolution 923. In so doing, we will be declaring our opposition to hunger and our support for the well-being of our children.

Mr. BURKE of Massachusetts. Mr. Speaker, the House has before it today a most important resolution which cuts to the root of our democratic system, insofar as it addresses itself to the all-important question of whether the execu-

tive department by administrative decree can go against the wishes of the people as expressed by the Congress of the United States and made law of the land. If this House fails to pass House Joint Resolution 923, it can only signal an abandonment of a commitment we made to the future of the Nation when we enacted Public Law 91-248 which provided for a school lunch for all needy children across the Nation.

If the Agriculture Department's latest maneuver to restrict spending on this program one way or another, is allowed to go unchallenged, I hope the House realizes the harsh implications which will follow if eligibility requirements are to be locked in at a \$3,940 level for a family of four. With the stroke of a pen, close to a million needy children, in every sense of the word "needy," would be eliminated from the free lunch program.

At a time when this administration should be redoubling its efforts to extend and expand this worthy program, we find it being arbitrarily slashed. I, for one, do not want the responsibility of informing over 100,000 children of school age in Massachusetts that they have been eliminated from the school lunch program because this House did not rescind the Department of Agriculture's latest proposal.

In some cases, this meal might have been the only nutritional meal some children could look forward to each day. It can only appear as so much quibbling over what is in the end an artificial dollar figure. The very use of the words "national average" indicates that it is the average poverty level across the Nation. It admits that from State to State the level does vary.

The action could not come at a worse time. The Commonwealth of Massachusetts, for instance, has been making commendable progress in its efforts to provide free and reduced lunches to schoolchildren in Massachusetts. State laws provide for a mandatory lunch program in all public schools after September of 1973. If this new Department of Agriculture regulation is allowed to stand, much of the progress registered in Massachusetts by this program will be risked.

In effect, there will be a further disincentive for local communities to participate in the program. Already many local officials are arguing that the program is going the way of so many other Federal programs and that the Federal Government is cutting back on its commitment, leaving the States to hold the bag and bear the increasing financial burdens. These are some of the larger implications of the Department of Agriculture's announcement. It is more than a matter of saving a few million dollars. It is as if the administration wanted to discourage the program from taking any further root at the local level and wanted to blow the whistle and discourage further participation in a most worthwhile, and I maintain, needed program.

I also want to take strong issue with the manner in which the Department of Agriculture has handled the whole announcement. The initial revision of regulation came only after Congress went into its well-publicized summer recess, thereby lessening the possibility of close scrutiny and inevitable criticism by the appropriate committees of both Houses of Congress.

Furthermore, the announcement of the proposed regulation came only days before the school year was due to commence in most school districts across the Nation, with an effective date after every school in every district would be open. The resulting uncertainty is difficult to exaggerate. Every school board hesitated to commit itself too deeply to a program which could be revised considerably once the school year was underway. It created chaos and doubts as school districts were faced with the task of anticipating costs before they adopted their budget and plans for the year. It would have been a brave school district, indeed, that would have been encouraged under the circumstances to stick its neck out and commit itself to a program whose price tag was very much up in the air, to say the least.

The resolution we have before us today, in seeking to correct this situation, has authorized the Secretary to reimburse State agencies administering the program of lunches to schoolchildren according to State eligibility requirements established in good faith prior to October 1, 1971.

The resolution also provides that the average rate for reimbursement in any State for all lunches served—free or otherwise—shall not be less than 6 cents per meal, 1 cent over the level presently being permitted as sufficient by the Department of Agriculture. The 6 cents reimbursement level is important because it would at least allow the States to operate the school lunch program at last year's level.

In short, the administration's action leaves me completely confused and upset. In changing the rules of the game after the school year has started it can not help but create chaos and confusion in the minds of school boards and parents alike. One wonders whether this was not the desired result in the first place. But even further, it seems to epitomize a false sense of economy by opting for a program which would save a few pennies today at the possible expense of the very future of this Nation. For let there be no mistake about it, the real wealth of this Nation is in its youth and the school lunch program is but a modest attempt to try to insure a minimum standard of nourishment and nutrition regardless of family means. It also just so happens that what is good for the health of our children is good for the agricultural support program and for the farmers of the country.

Mrs. GRASSO. Mr. Speaker, if every needy child is to receive a free or reduced price lunch in school, it is imperative that the proposed Department of Agriculture regulations governing the school lunch program be rescinded.

Along with the other members of the Education and Labor Committee, I support House Joint Resolution 923 and urge my colleagues to approve this measure for the welfare of our school children. Otherwise, this program faces possible financial disaster. Over two-thirds of the States have indicated a need for more than the originally proposed 30 cent reimbursement on free and reduced-price lunches. The number of children eligible for this program has increased since last April and, without the reimbursement rate of 46 cents contained in this resolution, many of the States will be unable to feed all the children presently entitled by law to these lunches.

The need for increased funding is especially pertinent for a State such as my own State of Connecticut which has just witnessed a decrease in its welfare budget. A family with less money to spend must of necessity buy less food—food that is essential for the growth of young bones and tissue. Also, studies have shown that hungry children do not reach their full potential in school.

It is imperative that the reimbursement rate for the school lunch program be increased to the 46 cents called for in House Joint Resolution 923. Then the children of the poor and the near poor across the country will have at least one nutritionally adequate meal per day in school.

It is the responsibility of Congress to respond favorably to the clear and pressing needs of our Nation's children.

Mr. MURPHY of Illinois. Mr. Speaker, I rise in support of House Joint Resolution 923 to prohibit a reduction in the number of meals served in the school lunch program. When the administration first decided to limit the expenditure to 35 cents per pupil, the adverse reaction of this body forced the administration to reconsider its decision. Rather than reinstate the authorized funding level, however, the administration increased the expenditure per pupil and reduced the number of children eligible for the funds. This latest move eliminates more than 1.2 million children from the program.

I commend the distinguished members of the Committee on Education and Labor for unanimously reporting the resolution to prohibit restricting eligibility to children from families with an annual income less than \$3,940. In my city of Chicago alone the proposed administration cutbacks would deprive 35,000 needy youngsters of nutritious meals. A total of 39 States across the Nation would experience substantial reductions.

These proposed limitations sacrifice the health and welfare of defenseless children in the name of economy. The White House consultant on nutrition, Dr. Jean Mayer, in testimony before a Senate committee, suggested:

We ought to find better ways to save our money than to take it out of the mouths of hungry children.

Surely other areas are more deserving of budgetary reductions. Our commitment to provide equal education opportunities for all children involves more than an adequate number of buildings, books, and teachers. Proper nourishment is a prerequisite for an active mind as well as a healthy body.

Finally, Mr. Speaker, I propose that the administration's cutoff point for eligibility at the legal poverty level is unrealistic. To limit the lunch program to children from families earning less than \$3,940 for a family of four is to unnecessarily restrict the interpretation of the word "needy." If I may borrow again from Dr. Mayer's recent testimony:

No one who has followed the issue would have expected the administration to interpret "needy" to exclude people who are poor but not quite that destitute.

I urge my colleagues to regard this resolution as a humane investment in the country's future rather than a costly drain on its economy.

Mr. PEYSER. Mr. Speaker, from time to time we have all been painfully aware of what is termed a crisis of confidence in our Government, especially among our young people.

The Congress in particular has been scornfully described as too insensitive, too too unwieldy and too slow. While I do not subscribe to this point of view, I do believe that today we have an opportunity to demonstrate to our critics that we can be timely, enlightened and humane.

Twelve days ago the Agriculture Department announced its ill-considered plan to eliminate over a million children of low-income families from federally subsidized school lunch programs.

Just 6 days ago I, together with Mr. Meeds of Washington, introduced an amendment to the General Subcommittee on Education designed to reverse the Agriculture Department's decision and restore Federal school lunch subsidies for all who were receiving this aid as of October 1, 1971.

Today—less than a week later—we will vote on this motion and I am confident that we will vote favorably. In so doing we will have acted incisively, compassionately and with exemplary speed.

A democracy is by design a slower, more deliberate form of government than a totalitarian system where one man's word is law. This in fact is democracy's strength. Nevertheless, our Democratic Government can act with speed and sensitivity when circumstances warrant, as we are demonstrating here today. It is a lesson which should not be lost to those who profess to have no faith in democracy.

Mrs. HECKLER of Massachusetts. Mr. Speaker, economy should not begin with school children's lunches.

As well-meaning as the Agriculture Department's action may have been in lowering the income eligibility requirements for free or reduced-fee school lunches, it was misguided and misappropriate.

It was also self-defeating in three ways:

First, it violates the clear intent of Congress.

Second, it does not save that much money, because although the income level for eligibility would be cut back, the individual Federal contribution would be increased from 30 cents to 40 cents.

Third, it frustrates the basic purpose of the program, which is to help create healthy, happy, productive citizens whose own children some day may have no need of this program.

Federal expenditures in the program must be regarded as an investment in the future. It has been demonstrated that poor diet and malnutrition stunt a child, not only physically, but also emotionally and intellectually.

The whole idea of subsidizing hot lunches for poor children is to help become and remain strong and bright enough to escape from poverty. Then perhaps they can provide a return on the Nation's investment with well-adjusted, productive lives.

I am happy to support this resolution which gets this program back on the right track. It tells the Agriculture Department in unmistakable language not to cut corners on children's lunches. It specifically prohibits arbitrary administrative action that would deprive more than a million children of the chance to meet life on its own terms.

The lower income figure of \$3,940 is \$360 less than the current eligibility level in much of my congressional district. That is not too high a price to pay for better human beings. The loss of them to the future would be more than we can afford.

Mr. SCHEUER. Mr. Speaker, it is the clear intent and purpose of this resolution to assure that every needy schoolchild will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act. Congress is specifically rejecting the proposed actions of the Department of Agriculture which would reduce the level and amount of reimbursement for general and special cash assistance for school breakfasts and lunches. The Department of Agriculture obviously intends to halt the expansion of these programs and to cut back on the level of assistance provided by the Federal Government.

The committee bill therefore sets specific rates of reimbursement for general cash-for-food assistance for each lunch served and for special cash assistance for each free or reduced price lunch served; requires the Secretary to use as much of the funds available under section 32 of the act of August 24, 1935, as may be necessary to provide sufficient funds for free and reduced price meals

for every needy child; and forbids the Secretary from reducing the number of children served in any school district. All these provisions are intended, as the resolution states, "to achieve the objectives of the National School Lunch Act, particularly that of providing a free or reduced price lunch to every needy child." The Committee on Education and Labor was also opposed to the section of the proposed regulations which would bar reimbursement for meals to any needy child with a family income of over \$3,940 because, and I quote from the committee report:

It will deprive thousands of needy children of a school lunch. It is in conflict with congressional intent as expressed with the adoption of Public Law 91-248 that all needy children be provided with a school lunch.

The committee report goes on to say that:

The proposed regulation comes after the school year has commenced and thus has caused confusion and turmoil in local school districts.

The committee clearly intends to continue current practices, whereby higher State or local income standards which have been used in the past will continue to be used in determining eligibility for free or reduced price lunches. While it might appear that section 5 of the resolution provides for reimbursement for meals provided under income guidelines adopted by State agencies, this does not take into account the fact that many cities have higher income eligibility standards than the States in which they are located. In such cases in the past, meals provided to children eligible under the higher standard have been reimbursed by the Federal Government.

It is my understanding that this will continue to be the case, since this is consistent with the overall committee intent, first, to maintain the progress that has been made in extending these lunch and breakfast programs in the past few years, and, two, to prohibit a reduction in the number of children served in any school district. If there is any doubt about the impact of section 5, I urge my colleagues in both Houses to make these provisions consistent with the other sections of the bill in conference.

The committee also accepted my amendment adding a new section 7 to the bill which authorizes the Secretary of Agriculture to transfer funds from section 32 of the act of August 24, 1935, for the purpose of assisting schools which demonstrate a need for additional funds in the school breakfast program. The committee report makes clear that it expects the Secretary to transfer as much of these funds as necessary to expand the breakfast program to every school desiring to participate.

This school breakfast program, which I authored in 1968, deserves to be greatly expanded. This amendment will allow that expansion by providing a new, open ended source of funds, so that school breakfasts can be provided to all children who need them. These breakfasts are vitally important if these children are to go through their school days awake, alert and healthy enough to learn. I expect the Department of Agriculture to take advantage of this amendment and to expand school breakfast programs all over the country in the very near future.

Mr. BOLAND. Mr. Speaker, this legislation answers a pressing need in the country's school lunch program. Indeed, the program's very survival may hinge on the passage of House Joint Resolution 923.

The Agriculture Department has published startling new regulations governing funds for school lunches. The regulations—pinchpenny measures that might threaten the health of an entire generation of American schoolchildren—would limit reimbursement funds to 5 cents for each conventional lunch served, to 35 cents for each lunch served to needy children free or at reduced prices. A survey conducted by the Education and Labor Committee shows that such grimly meager reimbursement levels would all but cripple that school lunch program in many States, denying sound meals to millions of children.

The legislation now before us would establish reimbursement rates of 6 and 46 cents—adequate rates, but hardly generous ones. And it would allow the States to determine, through criteria drawn up prior to October 1, 1971, just what constitutes a needy child worthy of free lunches or lunches at reduced prices. The Agriculture Department is now seeking to shut out of this program any children whose families earn more than \$3,940 a year. Of equal significance, Mr. Speaker, is the bill's provision to bar the Agriculture Department from stiffening eligibility requirements and from limiting the number of poor children now eligible.

Everyone concedes the success of the school lunch program. The program, in fact, is an exemplar of what Federal assistance projects should be.

We must not endanger it.

With permission, Mr. Speaker, I put in the Record a letter I have received from John C. Stalker, director of the school lunch program in Massachusetts, pointing out the need for House Joint Resolution 923:

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF EDUCATION,
Boston, Mass., October 15, 1971.

Hon. EDWARD P. BOLAND,
Washington, D.C.

DEAR REPRESENTATIVE BOLAND: Confirming our telegram of October 15th, we are enclosing the Statement of Position relative to the proposed changes in the application of the Secretary's Poverty Guidelines for Free and Reduced Price Lunches. Since sending the telegram, we have been informed that Resolution H.J. 889 has been renumbered to H.J. 923.

To prevent a complete disruption of our school food service operations, it is imperative that you support this amended Resolution. Thank you for your continued interest in the Child Nutrition Programs.

Sincerely yours,

JOHN C. STALKER,
Director.

Mr. QUINN. Mr. Speaker, I have no further requests for time.

Mr. PERKINS. Mr. Speaker, we have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky that the House suspend the rules and pass the joint resolution (H.J. Res. 923), as amended.

Mr. PERKINS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 353, nays, 0, not voting 77, as follows:

[Roll No. 303]

YEAS—353

Abernethy	Burleson, Tex.	Dalski
Abzug	Burlison, Mo.	Duncan
Adams	Burton	du Pont
Addabbo	Byrne, Pa.	Dwyer
Alexander	Byron	Edmondson
Anderson, Calif.	Cabell	Edwards, Ala.
Anderson, Ill.	Caffery	Edwards, Calif.
Anderson, Tenn.	Camp	Ellberg
Andrews, Ala.	Carey, N.Y.	Erlenborn
Andrews, N. Dak.	Carney	Esch
Annunzio	Casey, Tex.	Eshleman
Archer	Cederberg	Evans, Colo.
Arends	Celler	Evans, Tenn.
Ashbrook	Chamberlain	Fascell
Aspin	Chisholm	Findley
Aspinall	Clancy	Fish
Baker	Clark	Fisher
Barrett	Clayton, Don H.	Flood
Beahm	Clawson, Del.	Flowers
Belcher	Clay	Ford, Gerald R.
Bell	Cleveland	Ford, William D.
Bennett	Collier	Forsythe
Betts	Collins, Ill.	Fountain
Bevill	Collins, Tex.	Fraser
Biaggi	Colmer	Frelinghuysen
Blester	Conable	Frenzel
Bingham	Conte	Free
Blackburn	Corman	Fulton, Tenn.
Blanton	Coughlin	Gallagher
Blatnik	Daniel, Va.	Garmatz
Boggs	Daniels, N.J.	Gaydos
Boland	Davis, Ga.	Gettys
Bollag	Davis, Wis.	Glavin
Bow	Delaney	Gibbons
Brademas	Dellenback	Gonzalez
Brasco	Dellums	Goodling
Bray	Denholm	Grasso
Brinkley	Dennis	Gray
Brooks	Dent	Green, Oreg.
Broomfield	Devine	Green, Pa.
Brotzman	Dickinson	Griffin
Brown, Mich.	Dingell	Griffiths
Brown, Ohio	Donohue	Gross
Broyhill, Va.	Dorn	Grover
Buchanan	Dowdy	Gude
Burke, Fla.	Downing	Haley
Burke, Mass.	Drinan	Hall

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[Roll No. 303]

YEAS—353

Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks, Wash.
Hogan
Hollifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Keating
Kee
Keith
Kemp
King
Kluczynski
Koch
Kyros
Landrum
Latta
Leggett
Lennon
Link
Lloyd
Long, Md.
Lujan
McClory
McClure
McCollister
McCormack
McCulloch
McDade
McDonald, Mich.
McFall
McKay
McKevitt
McMillan
Macdonald, Mass.
Madden
Mahan
Mallard
Martin
Mathias, Calif.

Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalf
Michel
Mikva
Miller, Ohio
Minish
Mink
Minshall
Mizell
Moilohan
Monagaa
Moorhead
Morgan
Morse
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara
O'Konski
Passman
Patten
Pelly
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Purcell
Quile
Quillen
Randall
Rangel
Rarick
Rees
Reid, N.Y.
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ruth

Ryan
St Germain
Sandman
Sarbanes
Satterfield
Saylor
Scherle
Schmitz
Schneebell
Schwengel
Scott
Sebelius
Selberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Springer
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Sullivan
Talcott
Taylor
Teague, Tex.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Tiernan
Udall
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Wampler
Ware
Whalen
Whalley
White
Whitehurst
Windall
Wiggins
Williams
Wilson, Charles H.
Winn
Wright
Wyllie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zion
Zwach

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NAYS—0

NOT VOTING—77

Abbitt	Gallfianakis	Obey
Abourezk	Goldwater	O'Neill
Ashley	Gubser	Patman
Badillo	Hagan	Poage
Baring	Halpern	Price, Tex.
Bergland	Hanna	Railsback
Broyhill, N.C.	Hicks, Mass.	Reuss
Byrnes, Wis.	Hillis	Rhodes
Carter	Ichord	Rousselot
Chappell	Kuykendall	Roybal
Conyers	Kyl	Scheuer
Cotter	Landgrebe	Staggers
Crane	Lent	Stephens
Culver	Long, La.	Stuckey
Danielson	McCloskey	Symington
Davis, S.C.	McEwen	Teague, Calif.
de la Garza	McKinney	Thompson, N.J.
Derwinski	Mann	Ullman
Diggs	Mathis, Ga.	Van Deerlin
Dow	Miller, Calif.	Whitten
Eckhardt	Mills, Ark.	Wilson, Bob
Edwards, La.	Mills, Md.	Wolff
Flynt	Mitchell	Wyatt
Foley	Montgomery	Wydler
Fuqua	Murphy, N.Y.	Zablocki

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Rhodes.
 Mr. Thompson of New Jersey with Mr. Gubser.
 Mr. de la Garza with Mr. Teague of California.
 Mr. Bergland with Mr. Wylder.
 Mr. Chappell with Mr. Kyl.
 Mr. Mathis of Georgia with Mr. Hillis.
 Mr. Culver with Mr. McEwen.
 Mr. Davis of South Carolina with Mr. Broyhill of North Carolina.
 Mr. Foley with Mr. Kuykendall.
 Mr. Murphy of New York with Mr. Halpern.
 Mr. Miller of California with Mr. Bob Wilson.
 Mr. Wolff with Mr. Goldwater.
 Mr. Staggers with Mr. Byrnes of Wisconsin.
 Mr. Hanna with Mr. Carter.
 Mr. Zablocki with Mr. Railsback.
 Mr. Van Deerlin with Mr. Landgrebe.
 Mr. Mann with Mr. Price of Texas.
 Mr. Montgomery with Mr. McKinney.
 Mr. Flynt with Mr. Lent.
 Mr. Fuqua with Mr. Crane.
 Mr. Gallfianakis with Mr. Wyatt.
 Mr. Hogan with Mr. Mills of Maryland.
 Mr. Scheuer with Mr. Conyers.
 Mr. Stephens with Mr. McCloskey.
 Mr. Whitten with Mr. Rousselot.
 Mr. Perkins with Mr. Badillo.
 Mr. Ullman with Mr. Symington.
 Mr. Diggs with Mr. Derwinski.
 Mr. Ichord with Mrs. Hicks of Massachusetts.
 Mr. Ashley with Mr. Dow.
 Mr. Abourezk with Mr. Roybal.
 Mr. Abbitt with Mr. Mills of Arkansas.
 Mr. Cotter with Mr. Mitchell.
 Mr. Reuss with Mr. Long of Louisiana.
 Mr. Patman with Mr. Danielson.
 Mr. Stuckey with Mr. Eckhardt.
 Mr. Edwards of Louisiana with Mr. Baring.

The result of the vote was announced as above recorded.
 A motion to reconsider was laid on the table.

Message from the House of Representatives on House Joint Resolution 923

[From the Congressional Record, Oct. 20, 1971]

FREE OR REDUCED PRICE LUNCHES FOR NEEDY SCHOOLCHILDREN

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 923.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 923, a joint resolution to assure that every needy school child will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act, which was read twice by its title.

Mr. TALMADGE. I ask unanimous consent that the Senate proceed to the immediate consideration of the joint resolution. I might add that this request has been cleared with the Senator from Vermont (Mr. Aiken), the Senator from North Dakota (Mr. Young) and with other interested Senators.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. TALMADGE. Mr. President, Senators will recall that on October 1, 1971, Senate Joint Resolution 157, which also assured that every needy schoolchild will receive a free or reduced price lunch, passed the Senate by a vote of 75 to 5.

That resolution was referred to the House Committee on Education and Labor. Hearings were held on the issue and subsequently the House committee reported House Joint Resolution 923, which amended the provisions as contained in Senate Joint Resolution 157. Due to a parliamentary problem, the House was unable to proceed to a substitution of the language of House Joint Resolution 923 for the language as contained in Senate Joint Resolution 157.

Mr. President, I might say that the distinguished chairman of the House Committee on Education and Labor called me and was quite apologetic that the House parliamentary situation prevented a substitution of the House language for the Senate bill. I understood the matter, and I am perfectly content with the House action.

House Joint Resolution 923 passed the House by a vote of 353 to 0.

I make this explanation only to point out why the Senate is today considering House Joint Resolution 923 instead of Senate Joint Resolution 157.

In passing Senate Joint Resolution 157 by an overwhelming margin, the Senate attempted to deal with a grave funding crisis in our school lunch program.

The language of Senate Joint Resolution 157 clearly states that the Senate feels that the rate of reimbursement for free and reduced price meals proposed by the U.S. Department of Agriculture on August 18 was inadequate. Moreover, the resolution requires the Secretary of Agriculture to utilize funds appropriated by section 32 of the act of August 24, 1935, to provide a rate of reimbursement which will assure every needy child the free and reduced price lunch that he is entitled to under the law. The Secretary is to use section 32 funds only until such time as a supplemental appropriation may provide the additional funds that are needed. The section 32 funds expended for this purpose are to be reimbursed out of any supplemental appropriation that is subsequently enacted for the purpose of carrying out section 11 of the National School Lunch Act.

House Joint Resolution 923 is identical with Senate Joint Resolution 157 in regard to the aforementioned points.

In addition, the Senate resolution contains language which makes it clear that the funds made available by the resolution will be apportioned to the

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States in a manner that will best enable these schools to meet their obligations with respect to the service of free and reduced price lunches. The resolution also requires that these funds be apportioned and paid as expeditiously as possible. On these two points the language of the House resolution is identical.

Section 3 of Senate Joint Resolution 157 requires the Secretary of Agriculture to immediately determine and report to the Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs at levels which will permit expansion of the school breakfast and school lunch programs to all schools desiring such programs as rapidly as practicable. Here again, the language of House Joint Resolution 923 is identical.

However, there are some areas in which the language of the House resolution departs from the provisions of the Senate resolution.

Although both the Senate and House resolutions provide for a rate of reimbursement of 6 cents to carry out the purposes of section 4 of the act, the Senate resolution would amend section 11(e) of the National School Lunch Act to provide that the maximum per lunch limitation on the amount of funds that States may reimburse their schools for special assistance shall not be fixed by the Secretary at less than 40 cents. The Senate resolution also requires the Secretary of Agriculture to establish a higher maximum rate for especially needy schools.

House Joint Resolution 923 includes additional language designed to provide a minimum rate of reimbursement of 40 cents for every free meal served in schools where the cost of providing meals warrants 40 cents and to provide for reduced price meals at a rate of 40 cents minus the highest amount charged the student for the reduced-priced meal.

In effect, House Joint Resolution 923 places a floor under the Federal payments to be made under section 11 for free and reduced price lunches. This minimum will be 40 cents for a free lunch. For reduced price lunches, the minimum payment would be 40 cents minus the highest price charged for a reduced price lunch by the school. Schools can count on these minimum payments.

House Joint Resolution 923 would authorize higher reimbursement payments for especially needy schools—schools that can demonstrate that they cannot afford to serve free and reduced price lunches to all the children that are eligible for such lunches. These higher payments, however, could not exceed a maximum payment for especially needy schools which would be prescribed by the Secretary of Agriculture by regulation. The Department's current regulations now prescribe that especially needy schools can receive up to a maximum of 60 cents for a free or reduced price lunch in a combined section 4 and section 11 payment. It is expected that the Secretary's regulations will continue to include that 60-cent provision for 1972 in addition to the new increased minimum payments.

The new minimum payments under section 11, together with section 4 payments, and the use of federally donated commodities, should meet the needs of most schools. But, it is recognized that there will be some schools that will need to serve a high percentage of free and reduced price lunches or schools in the central core of a city that need to go to the extra expense of transporting food into the school because they have no food preparation facilities in the school.

We would expect that the Secretary would provide guidelines for States to follow in determining when schools can be considered especially needy. And, within those guidelines, we would expect States to make prudent determinations as to when a school has demonstrated that it needs more than the minimum 40-cent rate authorized by this resolution.

As amended by Public Law 91-248, section 9 of the National School Lunch Act provides that local school authorities are required to make determinations as to which children in the school district qualify for a free or reduced price lunch. The law spells out certain criteria which must be included in making these determinations. However, the law requires that after January 1, 1971, any child who is a member of a household which has an annual income that is not above the income poverty guidelines shall be served meals free or at reduced price cost. Thus schools in every State are required to provide free and reduced price meals to children from families whose income is not above the income poverty guidelines. But the States and local school districts have been authorized to establish higher eligibility standards, if those standards meet certain criteria.

Senate Joint Resolution 157 contained no provision in regard to eligibility standards, for eligibility had not been a problem under the regulations proposed

by the USDA on August 13. However, in early October the Department of Agriculture proposed a change in regulations which would eliminate from eligibility for reimbursement under the free and reduced price lunch program all children from families with an annual income above the income poverty guideline. Since many States had established eligibility levels well above the income poverty guideline, the proposed change in regulations would have the effect of eliminating thousands of children from the program. Some estimates indicate that over a million children would have been disqualified from receiving a free or reduced price lunch.

To rectify this situation House Joint Resolution 923 includes language which requires the Secretary of Agriculture to reimburse for fiscal 1972 schools for free and reduced price meals served to needy children determined as eligible under criteria adopted by State agencies prior to October 1, 1971.

In addition, the House resolution forbids the Secretary of Agriculture from making changes in the standards of eligibility which would reduce the number of eligible children during a fiscal year to be effective that same fiscal year.

During the 1970-71 school year the Department of Agriculture permitted States to utilize section 32 funds for the school breakfast program. Some States utilized these funds extensively to expand their breakfast program to a number of additional schools desiring the program. However, the regulations proposed by the USDA for the current school year do not permit such a utilization of section 32 funds. Therefore, it appears that many States will be unable to expand the breakfast program to schools desiring the program and some States are prohibited from any expansion of the breakfast program whatsoever.

House Joint Resolution 923 authorizes the Secretary of Agriculture to transfer funds from section 32 for the purpose of assisting schools which demonstrate a need for additional funds in the school breakfast program.

As I previously stated, both the House resolution and the Senate resolution contains certain language requiring the Secretary of Agriculture to make a prompt report to the Congress on the need for additional funds to permit the expansion of the school breakfast program to all schools desiring such a program.

It is contemplated that the Secretary will include in this report his plan to use section 32 funds for the school breakfast program in 1972.

Mr. President, we have had a long and controversial battle on the school lunch regulation. My own efforts to resolve the fiscal crisis in our school lunch program began when I wrote to President Nixon on September 2 to express my strong objections to USDA regulations proposed on August 13. Although I requested these regulations be changed, I never received a response from the President. As the fiscal crisis in the school lunch program mounted, I called hearings in the Committee on Agriculture and Forestry on September 16.

The testimony received in these hearings convinced a majority of the committee that immediate action was needed to change the proposed school lunch regulations. Therefore, I introduced Senate Joint Resolution 157 in an effort to provide relief for these needy school children and the distraught school officials around the country. This resolution was reported from the committee on September the 29th and passed on the Senate floor on October 1 by a vote of 75 to 5.

I am pleased that the House took action so promptly. I am also pleased that the Department of Agriculture finally yielded on most issues on Monday of this week. However, the needy school children of the country deserve a final answer. They deserve to know whether they are going to receive free lunches during this school year.

School officials around the country, already hard pressed for cash to provide basic educational services, need to know whether their schools will be able to afford to feed hungry children as required by law.

I hope that the Senate will act today to approve House Joint Resolution 923 which will provide the final answer.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call to roll.

The legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I have a question for the Senator from Georgia with regard to the pending joint resolution which incidentally I favor very strongly. I believe my question will help resolve a problem which may have not been

resolved completely in the other body. I hope the Senator from Georgia will help us to clarify the matter here.

The question is whether this resolution requires that the Secretary must continue to provide Federal reimbursement for all the free and reduced price lunches served pursuant to income eligibility standards set by local school authorities and approved by the State even if those local standards are higher than the Secretary of Agriculture's "income poverty guideline."

Apparently a provision in section 5 of this resolution was stricken in the House and there seems to be some question whether the fact that it was stricken meant there was any design to eliminate that practice, which is apparently on-going, or whether it was the intent to leave matters in that regard as they are and were before October 1, 1971.

The manager of the resolution will help us enormously if he can clarify that situation.

Mr. TALMADGE. The answer is affirmative. I made that clear in my remarks and it is a part of the legislative history.

Mr. JAVITS. In other words, the intention is there will be no change in existing practice?

Mr. TALMADGE. That is correct.

Mr. JAVITS. I thank the Senator very much.

Mr. TALMADGE. I thank the Senator from New York.

Mr. CASE. Mr. President, I am voting in support of this resolution because it requires the Secretary of Agriculture to continue to provide Federal reimbursement for all the free and reduced price school lunches served during this fiscal year to children who are determined to be eligible by local school authorities under the income eligibility standards that those local authorities set prior to October 1, 1971.

Section 5 of the resolution requires this by providing that—

... the Secretary shall reimburse during such fiscal year State agencies and local school authorities for free and reduced cost meals served pursuant to eligibility standards established by State agencies prior to October 1, 1971.

By referring only to eligibility standards established by State agencies the resolution is not intended to deny Federal reimbursement for meals served pursuant to local income eligibility standards which are higher than the statewide standard recommended by the State agency.

On Tuesday morning, October 18, 1971, I learned that Department of Agriculture personnel were already speaking to State nutrition officials about holding New Jersey to its general poverty guidelines, thus excluding as many as 15,000 urban children from receiving free lunches in the national school lunch program.

I immediately telegraphed the Secretary of Agriculture in an effort to forestall this cutback.

The text of my telegram follows:

DEAR MR. SECRETARY: A complication has arisen over the interpretation of the regulations of the national school lunch program affecting at least seven cities in New Jersey. Under present rules, the states set the poverty line for free and reduced price lunches.

In New Jersey, the poverty standard for cities has been set somewhat higher than the general state standard, reflecting the increased cost of living in metropolitan areas. For example, the cities of Camden, Paterson, Elizabeth, Hoboken, New Brunswick, Passaic, and Orange set the poverty standard \$500 higher than the general state level.

It has been customary to provide free lunches on the basis of the urban poverty designation in New Jersey, thereby carrying out the President's commitment to provide a school lunch to every needy child.

If this new interpretation is adopted, as many as 15,000 needy children in New Jersey will be cut from the free lunch program.

New Jersey has been a national leader in implementing a viable school lunch program. The state subsidizes a substantial part of this program because it recognizes the real need that exists.

I urge you to permit New Jersey's cities to set the poverty line for free and reduced price lunches at a level commensurate with the urban cost of living.

CLIFFORD P. CASE,
U.S. Senator.

October 19, 1971.

It is important to note that the resolution we are considering today does not refer to locally established eligibility standards for technical reasons. Since 1946, when the National School Lunch program was begun, local districts have set their own income eligibility standards subject to the approval of the State agency. Since the 1970 Amendments to the School Lunch Act, the State agencies have not been allowed to approve any local standards that were less than the

Secretary of Agriculture's income poverty guideline. But the State agencies still have the duty of approving local standards that are higher than the Secretary's minimum. I am informed that under this resolution, all of the standards set by the local school districts in New Jersey and elsewhere are to be deemed to have been established by the State agency if the State agency approved such local standards prior to October 1, 1971.

My understanding is that all of the local district standards have already been approved by the respective States, and, therefore, free lunches provided pursuant to such district-set standards will be federally reimbursable.

Mr. President, New Jersey has been a national pioneer in operating and subsidizing the National School Lunch program. It has placed more of its own money into this program, on a matching basis, than most other States. It has administered its lunch program in such an efficient manner and at such a small cost that many more children have had the benefit of a free school lunch than would normally be anticipated. There is no doubt about the efficacy of this program in New Jersey and my vote today is intended to see to it that the New Jersey program, along with those in other States, is expanded, not circumscribed.

Mr. Cook. Mr. President, this resolution is a very important measure because it helps to fulfill our commitment to feed every needy schoolchild in the United States. Although this bill contains seven crucial features in it, it is important to underscore two of the provisions in this resolution. Without these provisions, we would be taking tragic steps backward—rather than necessary steps forward—in our fight against hunger in America.

The first provision that I wish to call attention to deals with the Federal reimbursement rates that we prescribe in this resolution. In our amendment to section 11(e) of the School Lunch Act, we require that 40 cents be provided to each school district as a rock-bottom minimum, out of special cash assistance, for every free and reduced-price lunch served to a needy child.

School districts can, of course, pursuant to this resolution, receive a higher reimbursement rate than 40 cents out of special assistance funds if the State approves such a higher reimbursement rate. It must be understood, however, that the 40-cent figure is not an average reimbursement figure; it is a minimum reimbursement to every school district for every free and reduced-price lunch served. Therefore, if school district X in a State receives 48 cents in special assistance reimbursement for every free or reduced-price lunch served, school district Y in the same State cannot have its reimbursement cut to 32 cents to make up for the 8-cent higher reimbursement rate provided to school district X. Since this resolution requires a minimum reimbursement rate of 40 cents out of special cash assistance, school district Y must also receive at least 40 cents per lunch out of special cash assistance for every free and reduced-price lunch served.

The second provision in this resolution of crucial importance deals with which lunches will be federally reimbursable. As we all know, on October 6, 1971, the Department of Agriculture announced that it would no longer provide Federal reimbursement to school districts for free and reduced price lunches served to children, from four-person families, whose income exceeded the Secretary's "income poverty guidelines" figure of \$3,940 annually. If this were done, the substantial progress that we have made with the school lunch program over the past few years would be obliterated instantaneously. At best, such action would be legally questionable; in reality, such action would have tragically brought much more hunger in our Nation's classrooms.

The resolution we have before us today would prevent the Department from taking such ill-considered action. This resolution retains the historic role of States and school districts in determining which children shall receive federally reimbursable free and reduced price school lunches. In the past, some States have proposed and suggested free and reduced price lunch eligibility standards to the school districts in their States. In other instances, States have established required eligibility standards. In most instances, States have recommended eligibility criteria and then permitted local districts to establish their own—frequently higher—standards.

The resolution before us today requires the Secretary to reimburse, during the fiscal year, "State agencies and local school authorities for free and reduced cost meals served pursuant to eligibility standards established by State agencies prior to October 1, 1971." This means that reimbursement must be provided to State and local agencies for all free and reduced price lunches served pursuant to

standards set by the district and approved by the State as of October 1. Therefore, if a State recommends a free lunch eligibility standard of \$4,000, and the district sets its eligibility criteria for free lunches at \$5,000, all free lunches provided to children whose family incomes are \$5,000 or below will be federally reimbursable. The only provision is that the district's standard must have been approved by the State by October 1.

In sum, this resolution is most important and should be passed because it provides assurances to children throughout the country that no cutbacks in the provision of federally reimbursable free lunches will be tolerated. Whatever standards are presently being used by local districts will be maintained and will receive adequate Federal reimbursement therefor. By passing this resolution, we will fulfill our promises to the needy children of this great Nation. I urge everyone to support this legislation.

Mr. CRANSTON. Mr. President, first let me say that I am pleased to support this resolution. I believe it will go a long way in meeting our commitment to eliminating hunger in this Nation. Indeed this resolution does much to clarify our expression of concern and, more importantly, to underline our position that hunger amongst the youth of our country can no longer be condoned.

I would like to direct my brief comments to section 5 of this resolution. I think it relevant and important to point out that section 5 does not take away local school districts' rights to implement federally reimbursable higher eligibility standards for free and reduced price lunches than those recommended by the States. As long as these local standards were set by the district and accepted by the State before October 1, 1971, these local standards will be federally reimbursable. I would add that the present use of these federally reimbursable local standards would evince the fact that there already has been State approval of such local standards unless, of course, a State has clearly expressed its disapproval of those local standards.

I think it should be made clear, that the only implication of the use of the term "State agencies" in section 5 is to assure that a State is aware of, and has not rejected, the local school districts' free lunch eligibility standards. Certainly, these guidelines need not be identical to those recommended by the State. According to this resolution, Federal reimbursements must be forthcoming from the Department of Agriculture for all lunches that are served by local school authorities pursuant to such local school authorities' eligibility criteria even where higher than the recommended State guidelines.

I believe that this resolution will adequately protect the poor children of our country. I, therefore, urge that this resolution be passed.

Mr. MCGOVERN. Mr. President, I rise today to urge my colleagues in the Senate to accept House Joint Resolution 923 the school lunch bill as it was passed by the other body yesterday.

This resolution closely parallels Senate Joint Resolution 157, which was passed by the Senate by a vote of 75 to 5 just days ago. It also parallels yesterday's announcement by the Department of Agriculture that they were substantially revising the proposed school lunch regulations which they announced on August 13, 1971.

As we all know, those regulations were most unwise. They would have halted the fight to end childhood hunger in America and they would have served notice on the American people that the day had not yet come to "put an end to hunger in America for all time" as the President pledged 2 years ago.

This resolution is a firm rebuttal to those proposals by USDA. It is a firm answer by the Congress which says that we intend to keep our pledge to America's poor children. It is an answer which will not in itself end hunger in a final sense, but which will allow us to stay on course in this most important domestic effort.

On August 13, the Department, in a vain effort to save money, reduced the reimbursement rate which the States could pay for a free or reduced price lunch from a possible 60 cents per lunch to a mandatory statewide average of 35 cents per lunch. Forty-four Senators then sent a strong letter of objection on this point to President Nixon, and the distinguished chairman of the Agriculture Committee, Senator Talmadge, introduced Senate Joint Resolution 157 to instruct the Department to use a higher reimbursement rate for the purpose of feeding the needy. The Department, in turn, announced that it would itself raise the reimbursement rate to a statewide average of 45 cents, which was recently modified to 46 cents.

At the same time, however, the Department decided that it would attempt to ignore the clearly expressed congressional intent of Public Law 91-248 by declaring that the national eligibility level set by Congress would henceforth be a maximum standard rather than a minimum. Last year 44 States either set a statewide minimum which was higher than the national minimum or they allowed the cities or local school districts to do so. This is what Congress intended when it passed Public Law 91-248 and USDA honored those State and local levels and reimbursed accordingly. Who could deny that a child from a family of four whose income is \$4,500 a year in New York City is poor and in need of a free or reduced price lunch? This is the absurd length USDA tried to go to in the name of fiscal responsibility. This action would have eliminated from 1.3 to 1.5 million eligible children from the school lunch program.

House Joint Resolution 923 addresses itself to this problem as well as the reimbursement rate issue. Since USDA's proposal to restrict eligibility was not brought home to the Senate when it voted on Senate Joint Resolution 157, it becomes essential for us to accept the House version in full.

House Joint Resolution 923 provides that the Secretary shall reimburse for free and reduced price meals during fiscal year 1972 "pursuant to eligibility standards established prior to October 1, 1971." This means that those levels which either the States themselves set or which they allowed the local school districts to set shall be in force for this entire school year. No eligibility requirements in any district will be rolled back for the present fiscal year. States shall use the levels which they instituted for the State or the local school district standard which were approved by the States prior to October 1, 1971.

In short, Mr. President, this resolution is essential if we are to keep our promise to America's poor children. It is regrettable that Congress must take such action to force USDA to do the job which Congress has mandated it to do, but apparently we must do so. This resolution represents our willingness to put the USDA back on the right track of feeding needy children.

Mr. MANSFIELD. Mr. President, in view of the fact that one of the members of the Committee on Agriculture and Forestry asked to be here, and is not here at the present time I ask unanimous consent with the approval of the distinguished chairman that, pending the arrival of the distinguished Senator who is not here because of official business, when he arrives there be a period for the further consideration of this measure of not to extend beyond 10 minutes, at which time the Senate will give its final approval to the pending measure.

Mr. TALMADGE. Mr. President, that is entirely agreeable to the Senator from Georgia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Of course, Mr. President, the Senator will be notified at that time, too.

Mr. TALMADGE. I thank the distinguished majority leader.

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The Senate resumed the consideration of House Joint Resolution 923, a joint resolution to assure that every needy schoolchild will receive a free or reduced-price lunch as required by section 9 of the National School Lunch Act.

The PRESIDING OFFICER. The question now recurs on the passage of House Joint Resolution 923. Pursuant to the previous order the Senator from Minnesota is recognized for not to exceed 10 minutes, to be followed by a vote on the joint resolution.

Mr. HUMPHREY. I think the Presiding Officer.

I wish to ask the distinguished chairman of the Committee on Agriculture and Forestry one or two questions. My remarks will be brief and to the point.

It is my understanding that this resolution we are voting on today prohibits USDA from requiring a school district to reduce the number of children for this current school year who are benefiting from the free or reduced lunch program provided under section 11 of the School Lunch Act.

Over 5,000 children in our Minneapolis schools were forced out of the section 11 program after school began in September as a result of regulations issued by USDA on August 13, which have since been retained. Most of these children are attending schools which are located in low-income areas of the city.

Is it the understanding of the chairman that the resolution we are voting on today will enable the Minneapolis board of education to restore eligibility to all

those children who were in the program at the beginning of the year, but who are now out as a result of these USDA regulations?

Mr. TALMADGE. The answer is affirmative. If they were enrolled in the program and eligible under State and local regulations on October 1 they will continue.

Mr. HUMPHREY. I thank the Senator. I have one other question. Is it the understanding of the chairman of the committee that if a State accepts an eligibility standard of an individual school district which is different from that established by the State that such standards will be acceptable by USDA?

Mr. TALMADGE. The answer is affirmative for the current fiscal year.

Mr. HUMPHREY. I thank the distinguished chairman of the committee.

Mr. President, the House resolution we are voting on today contains provisions to cope with the drastic changes in school lunch regulations—changes which were announced by the Department of Agriculture between the time the Senate passed its earlier resolution and House consideration of the measure.

After the Senate passed its resolution, calling for USDA to pay 46 cents per meal for each needy child—as opposed to USDA's proposed 35 cents—it appeared that the Department concurred, but they then offered new proposals which would have eliminated more than 600,000 children from participation in free and reduced price lunches. The House resolution restores these children to participation. I hope the Senate will adopt the House language by unanimous consent so that we can meet the needs of the Nation's hungry schoolchildren.

I am pleased that the White House, after repeated requests from Congress, decided to ask the Department for clarification of what would have been the crippling USDA regulations. I am also pleased that the clarification which the President received led him to encourage the Department to relent in its efforts to save a few pennies at the expense of American schoolchildren.

Had he taken such action in August, he could have saved everyone involved a lot of frustration and time consuming effort.

Mr. President, I thank the distinguished chairman for the splendid leadership he has given on the school lunch program. I think the entire Nation is indebted to the distinguished Senator from Georgia for the work he has done in calling this matter to our attention. It has been a special joy for me to be associated with him in this effort.

Mr. TALMADGE. I thank the Senator from Minnesota.

Mr. PASTORE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I wish to associate myself with everything the Senator from Minnesota said, especially in commendation of the Senator from Georgia (Mr. Talmadge). As in the case of his State, we had the same problem in our State. It caused tremendous consternation and disappointment. I am happy to see the matter has been straightened out.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JORDAN of North Carolina. Mr. President, I associate myself with the remarks that have been made regarding the school lunch program. I am a member of the Committee on Agriculture and Forestry, under the chairmanship of the distinguished Senator from Georgia. I am happy that there has been concurrence in this matter, and that we will have an opportunity to vote again, so that there will be no doubt in connection with the children in any State that they will be included in the school lunch program as it was before the Agriculture Department cut back on the eligibility of some children. I am glad this will be changed.

Mr. HUMPHREY. Mr. President, I yield back my time.

Mr. TALMADGE. Mr. President, I desire to express my deep appreciation to the distinguished Senator from Rhode Island and the distinguished Senator from North Carolina for the generosity of their comments.

If no other Senator desires to speak or propound an inquiry I am prepared to yield back the remainder of my time, and I move the adoption of the bill.

Mr. PERCY. Mr. President, this resolution is of utmost importance. It makes sure that there will be absolutely no reductions in any school district in the provision of federally reimbursable free and reduced price lunches. The resolution guarantees that the poor children of America will eat federally subsidized nutritious meals, rather than unfulfilled promises.

I think it is of utmost importance to emphasize our intent that all needy children receive free and reduced price lunches pursuant to standards set by local districts and approved by the States. The phrase "pursuant to eligibility standards

established by State agencies prior to October 1, 1970" in section 5 of the resolution refers to our intent that standards set by the district, and approved by the State before October 1, be precisely the standards pursuant to which Federal reimbursement is required. If a school district has set free lunch standards—even where these standards are higher than the ones suggested or recommended by the State—it is such local district's standards that will be federally reimbursable as long as they were approved by the States before October 1. As a practical matter, I understand that all of the standards set by the districts were approved by the respective States prior to October 1.

With this resolution, therefore, we will at least hold the line in every school district in the provision of federally reimbursable free and reduced price lunches. It is my hope that this resolution will also bring about substantial progress in the school lunch program so that there will no longer be a hungry schoolchild.

Mr. SCHWEIKER. Mr. President, the school lunch resolution we are considering today is one of vital importance to the needy schoolchildren of Pennsylvania. I vigorously support its passage.

The resolution has several important provisions. It establishes 40 cents as the minimum per meal Federal reimbursement for free and reduced price lunches. It establishes 6 cents as the required average rate of Federal reimbursement for all lunches. It prohibits the Secretary of Agriculture from cutting off Federal reimbursement for lunches served to children now receiving free and reduced price lunches whose families' incomes exceed the Secretary's "income poverty guideline." And it authorizes the Secretary to transfer funds from section 32 of the act of August 24, 1935, to assist schools which need additional funds for the school breakfast program.

All of these provisions are important. In Pennsylvania thousands of needy children from families with incomes higher than the Secretary's "income poverty guideline" might have lost their free and reduced price lunches were it not for this resolution. Both Pittsburgh and Philadelphia, for example, set their income eligibility scales at levels higher than the Secretary's \$3,940 "income poverty guideline." Philadelphia's is \$4,000 annually for free lunches for children from a family of four, and \$4,165 annually for reduced price lunches for children from a family of four. Pittsburgh's standard is \$4,000 for free lunches and \$7,000 for reduced price lunches. These standards were set by Philadelphia and Pittsburgh and approved by the State agency. The State agency recommends a standard of \$4,000 for both free and reduced price lunch eligibility, but it has approved higher local standards where local districts have set such to reach all the needy children in their area. This resolution, by requiring the Secretary to provide reimbursement for lunches served pursuant to "eligibility standards established by State agencies," includes within its terms the standards set by districts like Philadelphia and Pittsburgh. These local districts set the standards. The State agency approved them. Thus, technically speaking, it is the State agency that "establishes" the local standards, not the local school authorities. Therefore, Federal reimbursement must be provided for lunches served pursuant to the higher levels established by local school districts that were approved by the State agency, provided only that such standards were established prior to October 1, 1971. Although the State agency recommends a standard of \$4,000 for providing federally-reimbursable free and reduced price lunches, it has permitted Pittsburgh, as an example, to establish a \$7,000 reduced price lunch standard and, consequently, we direct the Secretary in this resolution to federally subsidize lunches pursuant to the \$7,000 standard.

As to section 7 of the resolution, the authority vested in the Secretary to transfer section 32 funds for the breakfast program, I wish to note my wholehearted support and affirm that it is the will of Congress that this authority be used generously by the Secretary.

Mr. WILLIAMS. Mr. President, I wish to declare my strongest support for this resolution, House Joint Resolution 923, that we are considering today. I do not regret that we are taking the time from our busy schedule to pass this measure. I do regret that it is necessary once again to inform the Department of Agriculture that Congress is ardently committed to insuring that no needy child in this Nation shall go without a nutritious noon meal even if the child is unable to pay for his lunch.

In my State, Newark has determined that it must set its income eligibility standard at \$7,500 for reduced price lunches for children from families of four persons. Newark decided that any lower standard would exclude children from

families who, although they had incomes above the Secretary's "income poverty guideline," were unable to pay a full price for their lunches. By the Secretary's announcement on October 6, 1971, all of those children in Newark with family incomes above \$3,940 annually would have been denied federally reimbursed lunches.

Today's resolution requires the Secretary to provide reimbursement for all free or reduced price lunches served pursuant to income eligibility standards established by New Jersey's State agency. Since 1946 the State agency has had the duty of approving the standards set by local authorities. Many local school authorities in New Jersey set their standards at a level that the State agency had suggested; such locally set standards are then subsequently approved by the State agency and have thus been "established" by the State agency. Other districts—such as Newark, Camden, Trenton, Elizabeth, Jersey City, and Paterson—set their standards higher than those suggested by the State agency. These higher standards were also approved by the State agency and thus became "established" by the State. Under this resolution all of the lunches served pursuant to each of the above examples would receive Federal reimbursements.

We cannot allow the Department to ignore Federal law and cut off New Jersey's hungry, needy schoolchildren. This resolution will prevent further illegal acts by the Department and guarantee the noontime nutrition of all our children.

Mr. KENNEDY. Mr. President, in expressing my support for this resolution, allow me to concentrate on one particular point of which I am sure we are all aware.

Mr. President, so frequently we have passed legislation and set up programs providing that they would result in the feeding of needy children, and then have allowed standards which prohibit many poor people from participating in these programs. Many times we have been at fault simply because in outlining participation qualification we have neglected to account for the higher cost of living in urban areas that results in a working man in a big city being less able to feed his children than a farmer making several thousands of dollars less than his urban counterpart. In many cases, we have not accounted for additional expenses in certain areas of the country or a State which result in a family in that locality being unable to qualify for food program benefits although his earnings could not reasonably cover his food costs.

That is why we must be sure to continue the wise precedent we have set with the school lunch program. In this program, we give local school districts the right to determine which children are needy in their locality. The local districts prescribe eligibility standards for free or reduced priced meals. It should be clear, then, that section 5 of this resolution does not curtail that right of the local school districts, as long as the district has promulgated its eligibility standards prior to October 1, 1971, and those guidelines have been accepted by the State.

If, for instance, a local school district, such as a large city school authority, has set eligibility standards prior to October 1, 1971, in excess of the standards recommended generally by the State, that school district will still use its own eligibility standards and receive Federal reimbursement for all free and reduced price lunches served pursuant to its eligibility standards.

This must be the meaning of our newly amended section 9, through section 5 of House Joint Resolution 923. If that provision is interpreted any other way, it will jeopardize the firm commitment we have made that all needy children, in cities, towns, and farms will be fed pursuant to such areas' needs.

Mr. MONDALE. Mr. President, I support House Joint Resolution 923 and recommend its approval by the Senate.

On October 1, 1971, by a vote of 75 to 5, we passed a resolution to provide nutritious lunches for every needy child. At that time we were primarily concerned with regulations issued by the Agriculture Department in August which would have severely cut back on payment rates to schools.

Less than a week after the Senate resolution was adopted, the Department announced it would raise payment rates but strictly limit school lunch eligibility. This step would deny meals to an estimated 1.5 million needy children who have been served free and reduced price lunches under previous guidelines.

As Dr. Jean Mayer, the President's own expert on hunger, remarked last week:

No one who has followed the issue would have expected the Administration to interpret "needy" to exclude people who are poor, but not quite that destitute.

Fifty-nine Members of the Senate, including the leadership of both parties, wrote the President last Friday urging that he intervene to restore full eligibility to children who were served free or reduced price meals before the Department's October 6 announcement.

This Monday, the House of Representatives unanimously approved a joint resolution to assure that no needy child will be forced out of the program and that free and reduced price lunch service will be expanded to include all deserving youngsters.

A few hours before the House vote, the administration released word that it would drop a regulation which would have eliminated 1.5 million children from the school lunch program. Despite this announcement, the House was unanimous in its recognition of the need for additional congressional action.

As reported in the New York Times, October 19, 1971, there are several important differences between the administration's press release position and the House-passed bill.

First, the House bill provides for a minimum reimbursement rate of 46 cents per meal for meals served to needy children, while the administration would provide an average payment of 46 cents.

Since 46 cents is substantially less than the cost to schools to produce and serve a free lunch, we ought to concur with the House in making this the minimum, not the average, payment.

A second distinction is that the House measure would lift Agriculture Department restrictions on the school breakfast program. The administration has said only that it will deal with this question apart from school lunch regulations. The Senate is already on record in favor of the House position of providing adequate funds to maintain the vital school breakfast program.

Finally, there is some confusion over whether local school districts would be able to set a flexible income standard which is more lenient than statewide standards. Since the Department's October 18th press release was unclear on this subject, Assistant Secretary Lyng acknowledged it "will be clarified soon."

This is not very promising news for more than a hundred thousand children in Minneapolis, Philadelphia, New York, Portland, Oreg., and 19 other major cities.

However, section 5 of House Joint Resolution 923 would require the Secretary of Agriculture to reimburse State agencies and local school authorities for free and reduced cost meals served to these children. Reimbursement would be made during fiscal year 1972 according to eligibility standards established by State agencies prior to October 1, 1971.

Well before October, Minnesota and many other States adopted flexible eligibility criteria in order to assist especially needy schools in metropolitan and other low-income areas. Under these criteria some schools in Minneapolis and at least 22 other cities in the United States have been permitted to serve free and reduced cost lunches to children whose parents' incomes are slightly higher than state-wide income maximums.

It is clear not only under section 5, but also under section 6 of House Joint Resolution 923, that States would be able to continue reimbursing schools for meals served to these children. Section 6 provides that the Secretary of Agriculture shall not lower minimum eligibility standards nor require a reduction in the number of children served in any school district during the current fiscal year.

Lest there be any misunderstanding, I would further point out that the House bill uses the phrase "eligibility standards" and not "income standards" in order to permit State agencies to continue their flexible policies for assistance to needy schools. And to avoid the confusion and dislocations caused by recent Agriculture Department announcements, the House bill also calls for a roll back of eligibility criteria to those in effect prior to October 1, 1971. I believe the term "prior to" is important. The House bill does not say on October 1 or September 30, but prior to October 1. It is the intent of Congress to acknowledge that some States and schools might have restricted school lunch participation during the last few months because of all the uncertainties regarding funding and eligibility limitations imposed by the Agriculture Department.

Since we have had so many difficulties in recent weeks with misinterpretations of the National School Lunch Act by officials in the Department, I think it is essential for the Senate to stress—indeed, to make unmistakably clear—exactly what the law does mean.

in summary, with acceptance of House Joint Resolution 923, the law will mean that eligibility levels which either the States themselves set or which they allowed local school district to set shall be in force for this entire school year and that no eligibility requirements in any school districts will be rolled back for the present fiscal year.

I urge that my colleagues swiftly approve the House resolution to guarantee that no child will be arbitrarily excluded from the free and reduced price lunch program, if the States agree that he is needy, and to extend benefits to all children who qualify for meals under State eligibility guidelines.

Mr. MANSFIELD. The senior Senator from Michigan (Mr. Hart) is necessarily absent today. At his request, I ask unanimous consent that his statement on the school lunch resolution (H.J. Res. 923) be inserted in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR HART

The Resolution now before the Senate is necessary to carry out the Congressional intent that all needy children be fed. The Resolution provides a promise to all concerned that no cutbacks in our commitment to provide Federally-subsidized meals to the poor will be tolerated. It is unfortunately necessary because of recent events that caused many of us to fear that the Agriculture Department intended to circumvent our clear purposes when we passed the 1970 School Lunch Act amendments.

On August 13, the Department of Agriculture proposed regulations that established new reimbursement rates for school lunches. Pursuant to those proposed regulations, States would have received a maximum of five cents out of general cash-for-food assistance for every lunch served; in addition, States would have received a maximum of 30 cents in special cash assistance for every free or reduced price lunch served.

Immediately after the publication of those regulations the Congress was deluged with protests from State School Lunch Program Directors from around the country. They assured us that it was impossible to continue the Program under present levels—let alone get the necessary job done of expanding the Program to all children in all schools—with such a reimbursement system. They felt it necessary to obtain, as a minimum, 40 cents from special cash assistance for every free and reduced price lunch, and at least five cents for every lunch from general cash-for-food assistance.

On October 6, 1971, the Assistant Secretary of Agriculture announced the Department's intention to promulgate new regulations that would convert the nationally-minimum "income poverty guidelines" into a ceiling over which no free or reduced price lunches could be provided under the Act. Pursuant to the Department's declared intentions, school districts would not be reimbursed for any free or reduced price meals served to needy children whose incomes exceeded the "income poverty guideline." The effect of this regulation, if promulgated in final form, would be to reduce eligibility standards in 44 States, thereby eliminating over one million needy children from the School Lunch Program.

The proposed regulations that were announced on October 6 would wholly frustrate Congressional intentions of feeding all needy schoolchildren. Since 1946, when the School Lunch Act was passed, local school authorities and State agencies have been mandated to establish free and reduced price lunch standards for the purpose of assuring that no child would be denied a meal because of the family's inability to pay. The determination as to what those standards should be was exclusively left up to the local school authorities and State agencies so that they would establish free and reduced price lunch standards that covered all needy children in their area.

In 1970, with the passage of P.L. 91-248, we placed one limitation on the free and reduced price lunch standards established by the local school authorities and State agencies. The 1970 legislation established the "income poverty guideline" that was to be used as a minimum floor for free and reduced price lunch standards. No school district could establish standards below this "income poverty guideline" that was equivalent to the HEW-OEO poverty line.

Although an "income poverty guideline" was established under the 1970 amendments, Congress made it clear that local school authorities and State agencies were mandated to establish higher eligibility standards to reflect the varying needs of all children in their areas. Such considerations as cost of living, geographical factors, and local economic conditions would, therefore, be taken into consideration by such State agencies and local school authorities. In so doing, the Congress rejected a uniform national standard and reaffirmed the principle that State agencies and local school districts had the right to determine the varying needs of children in their areas.

Therefore, their mandate, to establish free and reduced price lunches for all needy children, remained intact except that their standards could not fall below the "income poverty guideline." Funding under the Act was to be made available to such districts and agencies so that they could fulfill the statutory mandate.

If the Department should promulgate the regulations it announced on October 6, it would do so contrary to the intentions of Congress and the legislation passed in 1946 and 1970. To make this clear—and to make sure that no cutbacks in the provision of free and reduced price lunches to needy children will be permitted—I urge that we act favorably on this Resolution. It accomplishes several important objectives, all of which are necessary to fulfill our commitment to feed all poor schoolchildren.

Three provisions of this Resolution are vitally necessary to maintain and improve our efforts under the child feeding programs. Under the Resolution, the Secretary of Agriculture would provide an absolutely minimum Federal reimbursement rate of 40 cents to every school district, out of special assistance funds, for every free and reduced price lunch served. In addition, the Secretary must provide a State average reimbursement rate of six cents—out of general cash-for-food assistance—for each fully paid, reduced price and free meal served in the Program.

The Resolution also requires that the Secretary continue to provide Federal reimbursement for all the free and reduced price lunches served pursuant to income eligibility standards set by local school authorities even if those local standards are higher than the Secretary's "income poverty guideline." The Resolution states that reimbursements must be provided for all lunches . . . "served pursuant to eligibility standards established by State agencies prior to October 1, 1971." In practice, a few States require all local school districts to set their eligibility standards at levels prescribed by the State. The State of West Virginia is one of those few States that requires local districts to implement a state-prescribed eligibility standard.

All of the other States recommend or suggest one or more standards but permit the districts to establish higher eligibility standards than the ones suggested by the State. In fact, some of those States set statewide minimum standards that may be increased, but not decreased, by the local districts. With this Resolution, we make it clear that Federal reimbursement must be provided pursuant to the district's higher standards, as long as the State approved those higher standards before October 1, 1971. In fact, it is clear that all of the standards established by the local districts around the country were already approved at the beginning of the school year.

Consequently, the following would be required under Section 5 of this Resolution. Where a State has required every district to implement a State-prescribed eligibility standard and has left no discretion to local school districts, it is that standard that will be supported with Federal reimbursements. As I said, there are only a handful of States for which this would apply. For all of the other States, Federal reimbursement will be provided pursuant to eligibility standards set by the local school districts. We use the term "standard established by State agencies . . ." in this context to denote that the State permitted districts to establish free lunch eligibility standards; the districts did in fact establish their own eligibility standards; and the State approved those currently operating eligibility standards. Technically, therefore, the State "established" those eligibility standards although, in fact, the local districts set up those standards.

Finally, this Resolution instructs the Agriculture Secretary to allow Section 32 funds that have been and will be allocated to the States to be used for the School Breakfast Program as well as for the School Lunch Program. Section 32 funds shall, therefore, continue to be fully transferable for the purposes of implementing and administering the School Breakfast Program.

The Resolution we have before us today will help protect the needy children throughout the country. I am pleased to support it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. All time is yielded back.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

The joint resolution (H.J. Res. 923) was passed.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.